

FINANCIAL SUMMARIES

Total Revenues and Expenditures

Summary schedules which provide a high level overview of the entire Town budget, in a fund-type summary, as well as by fund-specific and category-specific summary levels.

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TOTAL BUDGETED FUND ACTIVITY SUMMARY FY 2013/14

	Estimated Fund Balance 7/1/2013	Revenues, PY Carryfwd & Transfers	Expenditures, PY Carryfwd & Transfers	Estimated Fund Balance 6/30/2014	Fund Balance Change From PY	Fund
Operating Funds						
Government Funds						
General Fund	\$ 21,682,463	\$ 33,726,739	\$ 36,524,923	\$ 18,884,279	-12.9%	111
Housing Conservation Program	37,183	8,689	-	45,872	23.4%	211
Community Dev Block Grant	2,507	60,000	60,000	2,507	0.0%	212
Urban Run-Off Source Fund	248,035	332,000	359,045	220,990	-10.9%	222
Blackwell Assessment District	6,608	3,214	3,602	6,220	-5.9%	231
Kennedy Assessment District	30,630	10,541	5,240	35,931	17.3%	232
Gemini Assessment District	16,548	4,284	2,451	18,381	11.1%	233
Santa Rosa Assessment District	55,397	5,054	4,137	56,314	1.7%	234
Vasona Assessment District	28,814	9,975	5,442	33,347	15.7%	235
Hillbrook Assessment District	7,143	5,986	3,794	9,335	30.7%	236
Proprietary Funds - Internal Service Funds						
ABAG Self Insurance	1,396,050	503,815	699,926	1,199,939	-14.0%	611
Worker's Comp Self Insurance	2,165,383	655,549	758,607	2,062,325	-4.8%	612
Management Information Systems	2,339,983	1,023,191	1,140,911	2,222,263	-5.0%	621
Office Stores Fund	137,262	117,000	143,150	111,112	-19.1%	622
Equipment Replacement	3,267,235	473,929	543,304	3,197,860	-2.1%	631
Facilities Maintenance	533,405	528,600	528,466	533,539	0.0%	632
Vehicle Maintenance	1,153,527	1,222,014	1,472,018	903,523	-21.7%	633
Total Operating Funds	\$ 33,108,173	\$ 38,690,580	\$ 42,255,016	\$ 29,543,737	-10.8%	
Trust & Agency Funds						
Friends of the Library	\$ -	\$ -	\$ -	\$ -	0.0%	710
Library Trust	4,048	36,784	28,350	12,482	208.3%	711
Library History Project	2,780	2,020	2,000	2,800	0.7%	712
Ness Trust Bequest	190,638	1,500	10,000	182,138	-4.5%	713
Betty McClendon Trust	99,031	700	10,000	89,731	-9.4%	714
Barbara J Cassin Trust	465,962	5,000	129,817	341,145	-26.8%	716
Parking District #88	241,263	-	140,366	100,897	-58.2%	721
Total Trust & Agency Funds	\$ 1,003,722	\$ 46,004	\$ 320,533	\$ 729,193	-27.4%	
Capital Funds						
GFAR	\$ 5,624,839	\$ 3,333,746	\$ 3,340,997	\$ 5,617,588	-0.1%	411
Grant Funded CIP Projects	(81,489)	536,869	536,869	(81,489)	0.0%	421
Storm Drain #1	327,994	48,120	-	376,114	14.7%	461
Storm Drain #2	796,337	53,000	-	849,337	6.7%	462
Storm Drain #3	(59,989)	4,000	-	(55,989)	-6.7%	463
Traffic Mitigation	152,198	820,000	820,000	152,198	0.0%	471
Construction Tax-Undergrounding	2,511,322	45,000	-	2,556,322	1.8%	472
Gas Tax	268,090	833,290	1,041,000	60,380	-77.5%	481
Total Capital Projects Funds	\$ 9,539,302	\$ 5,674,025	\$ 5,738,866	\$ 9,474,461	-0.7%	
Successor Agency of the Los Gatos RDA Funds						
SA- Trust Fund	\$ 3,081,655	\$ 4,195,209	\$ 4,195,066	\$ 3,081,798	0.0%	942
Total Successor Agency of the Los Gatos RDA Reserve	\$ 3,081,655	\$ 4,195,209	\$ 4,195,066	\$ 3,081,798	0.0%	
TOTAL ALL FUNDS	\$ 46,732,852	\$ 48,605,818	\$ 52,509,481	\$ 42,829,189	-8.4%	

This Total Budgeted Fund Activity Summary schedule groups the Town's funds into four categories based on fund purpose:

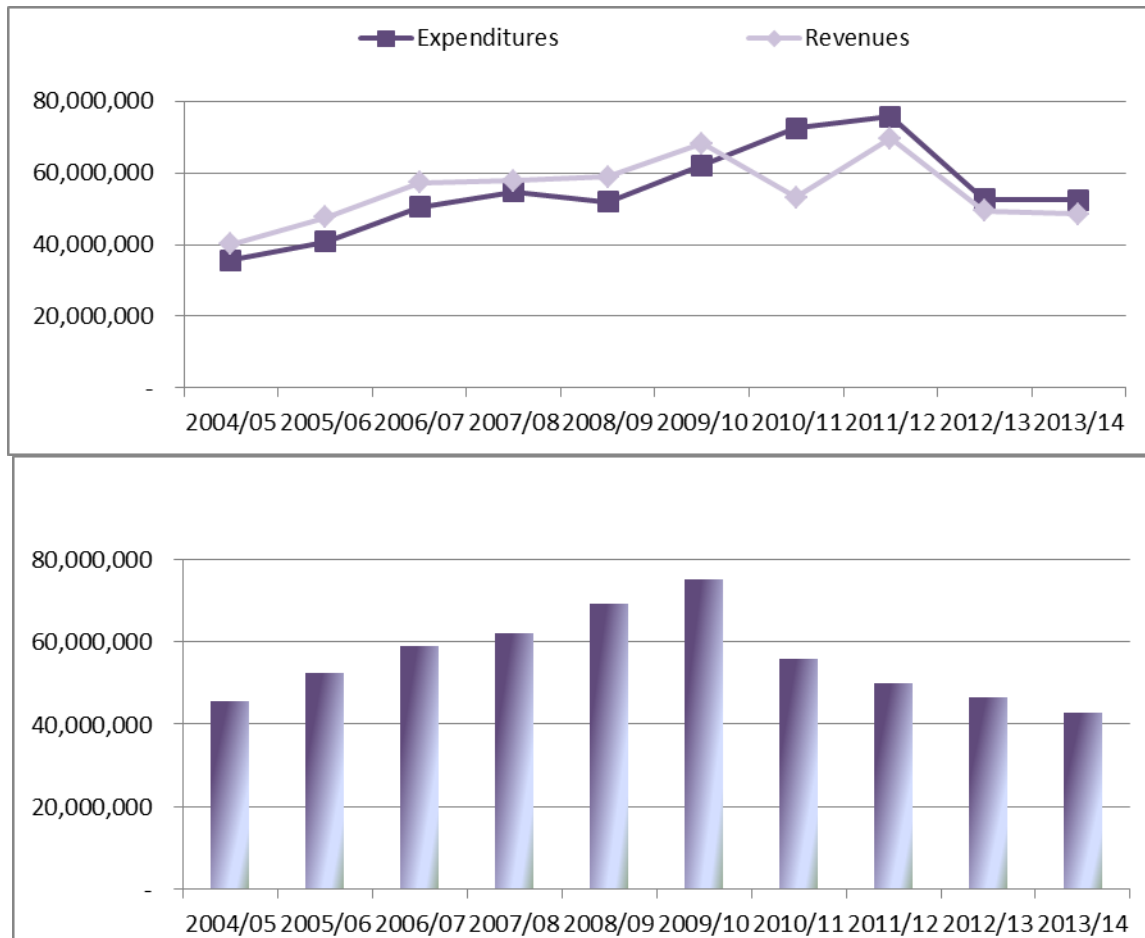
Operating Funds - Ongoing operations are funded out of the various Operating Funds. This includes the Town's General Fund departmental program operations, as well as special revenue activities and internal service functions.

Fiduciary Funds - These funds are held in a fiduciary capacity, with little variation in activity. The Parking District Fund facilitates a debt service function, and the Library Trusts are held for special uses for the Library.

TOTAL TOWN REVENUE, EXPENDITURE, & FUND BALANCE TREND INFORMATION

Capital Funds - Representing the capital improvement program activity, the Capital Funds reflect the significant progress made in the ongoing push in the capital program to complete projects, and the resulting decrease in fund balances.

RDA Successor Agency Private Purpose Trust Fund – Formerly known as the Redevelopment Agency (RDA), as required a private purpose trust fund was established to account for the assets and liabilities transferred from the dissolution of the Town's former RDA and the continuing operations related to the existing Redevelopment Agency obligations. The Successor Agency's Private Purpose Trust Fund has been incorporated into the Town's operating budget.



Year End	Reference	Revenue & Transfers In	Expenditures &	Designated Fund Balance
2004/05	Actuals	40,170,433	35,716,244	45,642,187
2005/06	Actuals	47,575,202	40,769,411	52,447,978
2006/07	Actuals	57,356,538	50,554,905	59,249,611
2007/08	Actuals	57,785,654	54,751,838	62,283,427
2008/09	Actuals	58,959,239	51,969,267	69,273,399
2009/10	Actuals	68,176,239	62,169,737	75,279,901
2010/11	Actuals	53,198,202	72,439,477	56,038,626
2011/12	Actuals	69,593,000	75,659,793	49,971,833
2012/13	Estimated	49,437,750	52,676,731	46,732,852
2013/14	Adopted	48,605,818	52,509,481	42,829,189

*Expenditures and Transfers-Out may exceed Revenues due to the inclusion of planned and carry-forward capital projects. Approximately \$14 M funding for Library project came from issuance of Certificates of Participation (COP) in 2010.

TOTAL TOWN REVENUE, EXPENDITURE, & FUND BALANCE TREND INFORMATION

The Town continues to focus on priority issues that involve maintaining public safety and Town infrastructure including streets and parks; and providing library, community development, and community services. These priorities are coordinated with other strategic goals that protect the Town's fiscal health and ensure cost efficient and effective delivery of Town-wide administrative services. The Town's proactive approach to reducing operating expenditures, identifying revenue enhancements, and implementing operating efficiencies, has been an integral part of softening the impact of the economic recession and other negative fiscal developments. However, as depicted in the revenue and expenditures graph on the previous page, fund balances reflect a decline in FY 2013/14.

The FY 2013/14 budget is a balanced budget and the five-year financial forecast projects one more year of continued deficits with a positive budget environment forecasted for FY 2015/16. The FY 2013/14 budget has been balanced largely due to revenue enhancements as the economy is recovering and the Town is experiencing growth in the economically sensitive revenue sources such as Business Licenses, other Taxes and Licenses and Permits. However, despite these revenue increases, the Town is still faced with rising costs for employer paid benefits due to PERS investment losses and the ongoing impacts of funding post-retirement health benefits on an actuarial basis as required by Governmental Accounting Standards Board (GASB) Statement #45 are significant contributors to the Town's expenditure base. Other key trends affecting the fund balance forecast include:

Salary and Benefits Increases – Salaries and benefits account for 43% of the Town's total expenditures and 58% of General Fund expenditures in FY 2013/14. Delivery of Town services is highly dependent on labor. The single largest driver of labor cost increases has been the Town's contribution to the Public Employees Retirement System (PERS). The Town's safety retirement contribution rates paid to the PERS have more than doubled in recent years and are expected to continue to increase over the next several years. In FY 2012/13, the employer PERS contribution rate for safety employees was 39.31% and is expected to adjust to 40.85% in FY 2013/14. For all other employees, the rate will increase from 19.62% in FY 2012/13 to 21.9% in FY 2013/14.

In FY 2012/13, a three-tier pension plan was implemented for non-sworn and management employees, changing the pension formula from 2.5% at 55 to 2% at 60 for new hires after September 15, 2012, or 2% at 62 for "new" employees hired after January 1, 2013 who were not previously in a public pension system. Similarly, in FY 2012/13 a two-tier pension plan was implemented for safety employees, changing the pension formula for "new" employees, not previously in a public pension system, from 3% at 50 to 2.7% at 57, effective January 1, 2013. While this does not provide immediate cost savings, it is anticipated to reduce future salary and benefit expenses in the next 10-15 years. Other negotiated changes affecting miscellaneous employees include the cost sharing of dependent premiums.

Negotiations are currently underway with the Town Employees Association (TEA) to discuss a successor Memorandum of Understanding (MOU) since the prior TEA labor agreement expired on June 30, 2012. The American Federation of State, County and Municipal Employees (AFSCME) labor agreement expires on June 30, 2013.

The existing Police Officers' Association (POA) agreement was restructured to delay scheduled salary adjustments and extend the contract for a longer term. Under the restructured agreement, the POA received a 2% increase effective January 1, 2013. This is the last wage increase under the existing contract, which expired June 30, 2013.

Other Cost Drivers – A significant cost driver for the Town is energy costs, including fuel for safety and maintenance vehicles, water for parks and landscaping, natural gas and electricity to heat and cool buildings, and lighting for street lights, parking lots, and Town facilities. The Energy Information Administration of the U.S. government projects that energy costs will continue to increase in FY 2013/14. The Town has taken steps to ensure energy efficiency in new facilities and is looking at ways to reduce fuel costs by utilizing electric vehicles and installing electric vehicle charging stations throughout the Town. Staff will continue to explore energy alternatives to reduce costs.

Revenue Recovery – On a positive note, all signs indicate that the economy is making a slow recovery and locally the Town is experiencing increases in economically sensitive revenues such as business licenses, sales and use tax, and licenses and permits for FY 2013/14. General Fund Town revenues for FY 2013/14 are 2% greater than budgeted for the prior fiscal year. This increase is largely due to forecasted increases in business licenses activity, trending increases in licenses and permits and other taxes, particularly in our Community Development Division.

**TOTAL TOWN
REVENUES, EXPENDITURES & FUND BALANCE FIVE-YEAR SUMMARY**

GENERAL FUND						SPECIAL REVENUE FUNDS						
	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Estimated	2013/14 Adopted	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Estimated	2013/14 Adopted		
REVENUES												
Property Tax	\$ 7,465,871	\$ 7,289,897	\$ 7,532,073	\$ 7,868,034	\$ 7,786,976	\$	259	\$	64	\$ 329	\$ -	\$ -
VLF Backfill	2,343,495	2,327,053	2,353,158	2,400,000	2,424,000	-	-	-	-	-	-	-
Sales & Use Tax	8,317,216	9,971,409	9,889,100	7,442,856	7,797,615	-	-	-	-	-	-	-
Franchise Fees	1,699,839	1,901,605	1,952,488	2,009,940	2,040,030	-	-	-	-	-	-	-
Transient Occupancy Tax	923,783	1,004,659	1,174,485	1,000,000	1,015,000	-	-	-	-	-	-	-
Other Taxes	1,225,154	1,143,294	1,087,333	1,292,528	1,365,550	33,510	37,760	37,760	37,760	37,760	37,760	37,760
Licenses & Permits	2,035,308	2,040,811	2,361,510	2,597,097	2,577,413	-	-	-	-	-	-	-
Intergovernmental	878,656	834,713	798,258	736,135	739,685	49,945	136,960	-	182,364	60,000	-	-
Town Services	2,565,437	2,672,513	2,829,124	2,829,121	2,524,258	135,000	135,000	135,000	502,000	332,000	-	-
Internal Svc Reimbursement	-	-	-	-	-	-	-	-	-	-	-	-
Fines & Forfeitures	571,245	617,779	755,444	599,606	669,850	-	-	-	-	-	-	-
Interest	870,512	625,654	259,146	421,656	477,970	15,131	11,229	10,650	10,413	9,983	-	-
Other Sources	1,525,254	1,011,565	1,142,349	2,142,455	1,556,077	-	10,600	10,312	-	-	-	-
CIP Proj Reimbursement	931,371	1,354,882	2,094,852	1,963,971	1,935,578	-	-	-	-	-	-	-
SCC RPTTF Reimbursement	-	-	-	-	-	-	-	-	-	-	-	-
Fund Transfers In	440,326	437,755	231,723	592,920	816,737	-	-	92,976	-	-	-	-
TOTAL REVENUES	31,793,467	33,233,589	34,461,043	33,896,319	33,726,739	233,845	331,613	287,027	732,537	439,743		
EXPENDITURES												
Salaries & Benefits	19,356,682	19,509,657	20,348,155	20,623,744	21,262,886	91,481	89,683	86,939	92,806	123,124		
Operating Expenditures	5,940,791	5,828,392	6,194,176	7,636,294	6,969,147	51,932	48,263	31,262	251,192	250,222		
Grants & Awards	228,850	243,237	168,135	178,420	177,030	536,234	218,848	-	13,094	-		
Fixed Assets	24,516	1,900	42,612	-	-	-	-	-	-	-		
Interest	-	-	-	-	-	1,638	503	94	-	-		
Internal Service Charges	3,240,600	3,040,852	3,139,280	3,347,926	3,425,884	15,949	13,437	14,411	5,416	5,444		
Capital Projects	-	-	-	-	-	-	-	-	-	-		
Capital Acquisitions	3,116,295	-	-	-	-	-	-	-	-	-		
Debt Service	931,371	1,354,882	2,094,852	1,963,971	1,935,578	-	-	-	-	-		
Transfers	825,000	786,525	2,292,802	1,951,313	2,754,399	6,756	204,395	4,920	174,190	64,920		
TOTAL EXPENDITURES	33,664,105	30,765,445	34,280,012	35,701,668	36,524,924	703,990	575,129	137,626	536,698	443,710		
Net Increase (Decrease)	(1,870,638)	2,468,144	181,031	(1,805,349)	(2,798,185)	(470,145)	(243,516)	149,401	195,839	(3,967)		
Beginning Fund Balance	22,709,276	20,838,638	23,306,782	23,487,813	21,682,464	801,284	331,139	87,623	237,024	432,863		
Ending Fund Balance	\$ 20,838,638	\$ 23,306,782	\$ 23,487,813	\$ 21,682,464	\$ 18,884,279	\$ 331,139	\$ 87,623	\$ 237,024	\$ 432,863	\$ 428,896		

TOTAL TOWN
REVENUES, EXPENDITURES & FUND BALANCE FIVE-YEAR SUMMARY
INTERNAL SERVICE FUNDS LIBRARY TRUSTS & PARKING ASSESSMENT FUNDS

	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Estimated	2013/14 Adopted	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Estimated	2013/14 Adopted
REVENUES										
Property Tax	\$ -	\$ -	\$ -	\$ -	-	\$ 38,252	\$ 2,406	\$ -	\$ -	-
VLF Backfill	-	-	-	-	-	-	-	-	-	-
Sales & Use Tax	-	-	-	-	-	-	-	-	-	-
Franchise Fees	-	-	-	-	-	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-	-	-	-	-	-
Other Taxes	19,586	31,723	44,387	40,500	20,000	101,434	121,625	132,996	71,626	-
Licenses & Permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Town Services	82,353	88,232	126,115	118,558	95,000	-	-	-	-	-
Internal Src Reimbursement	4,039,222	3,839,607	3,936,406	4,094,459	4,214,098	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Interest	39	18	30	-	-	11,036	26,364	11,766	9,429	7,704
Other Sources	136,971	134,162	538,273	259,072	195,000	20,738	685,153	27,241	28,095	38,300
CIP Proj Reimbursement	-	-	-	-	-	-	-	-	-	-
SCC RPTTF Reimbursement	-	-	-	-	-	-	-	-	-	-
Fund Transfers In	8,990	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	4,287,161	4,093,742	4,645,211	4,512,589	4,524,098	171,460	835,548	172,003	109,150	46,004
EXPENDITURES										
Salaries & Benefits	1,003,584	957,825	1,075,759	1,040,605	1,144,930	-	-	-	-	-
Operating Expenditures	2,473,434	2,496,405	3,613,260	3,217,619	3,113,968	24,526	24,983	187,213	115,679	125,350
Grants & Awards	-	-	-	-	-	-	-	-	-	-
Fixed Assets	376,859	188,939	504,409	407,187	528,484	-	-	-	-	-
Interest	-	-	-	-	-	42,930	34,583	25,440	15,701	5,366
Internal Service Charges	-	-	-	-	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	-	-	-	-
Capital Acquisitions	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	100,000	110,000	120,000	125,000	135,000
Transfers	201,800	194,000	73,546	105,820	499,000	-	-	-	20,000	54,817
TOTAL EXPENDITURES	4,055,677	3,837,169	5,266,974	4,771,231	5,286,382	167,456	169,566	332,653	276,380	320,533
Net Increase (Decrease)	231,484	256,573	(621,763)	(258,642)	(762,284)	4,004	665,982	(160,650)	(167,230)	(274,529)
Beginning Fund Balance	11,385,195	11,616,679	11,873,252	11,251,489	10,992,847	661,616	665,620	1,331,602	1,170,952	1,003,722
Ending Fund Balance	\$ 11,616,679	\$ 11,873,252	\$ 11,251,489	\$ 10,992,847	\$ 10,230,563	\$ 665,620	\$ 1,331,602	\$ 1,170,952	\$ 1,003,722	\$ 729,193

TOTAL TOWN
REVENUES, EXPENDITURES & FUND BALANCE FIVE-YEAR SUMMARY
SUCCESSOR AGENCY TO THE LOS GATOS RDA

CAPITAL PROJECT FUNDS

	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Estimated	2013/14 Adopted	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Estimated	2013/14 Adopted
REVENUES										
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,022,863	\$ 8,577,063	\$ 4,186,567	\$ -	\$ -
VLF Backfill	-	-	-	-	-	-	-	-	-	-
Sales & Use Tax	-	-	-	-	-	-	-	-	-	-
Franchise Fees	-	-	-	-	-	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-	-	-	-	-	-
Other Taxes	19,586	31,989	44,387	35,000	15,000	-	-	-	-	-
Licenses & Permits	272,862	525,212	625,211	471,655	277,000	-	-	-	-	-
Intergovernmental	3,154,121	2,281,630	856,576	2,146,130	1,469,159	-	-	16,644,334	200	200
Town Services	-	-	44,450	-	-	-	-	-	-	-
Internal Svc Reimbursement	-	-	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Interest	68,430	46,933	40,257	29,400	41,120	220,129	7,207	(25,210)	-	-
Other Sources	16,575,264	292,772	1,399,944	1,218,225	918,000	16,044	22	1,100,000	-	-
CIP Proj Reimbursement	-	-	-	-	-	931,371	1,354,882	2,094,852	4,160,142	4,124,356
SCC RPT TF Reimbursement	-	-	-	-	-	-	-	-	-	-
Fund Transfers In	834,636	986,000	1,923,428	2,076,878	2,953,746	575,000	600,000	1,092,920	49,525	70,653
TOTAL REVENUES	20,924,899	4,164,536	4,934,253	5,977,288	5,674,025	10,765,407	10,539,174	25,093,463	4,209,867	4,195,209

EXPENDITURES

Salaries & Benefits	103,210	149,427	241,129	-	-	308,043	342,730	246,305	23,062	13,171
Operating Expenditures	40,186	2,330	-	-	-	7,200,100	17,251,475	14,457,189	321,124	57,780
Grants & Awards	-	-	-	-	-	412,000	150,000	-	-	-
Fixed Assets	-	-	-	-	-	-	-	-	-	-
Interest	309,158	20,500	-	-	-	617,204	1,021,132	1,148,185	1,018,971	980,578
Internal Service Charges	2,667	-	3,806	-	-	16,972	19,010	13,976	3,640	2,958
Capital Projects	7,390,915	14,870,970	10,684,546	6,646,986	5,520,867	671,337	519,126	(75,428)	-	-
Capital Acquisitions	-	-	-	-	-	4,285,784	68,001	-	-	-
Debt Service	-	-	-	-	-	1,395,537	1,838,632	3,129,019	2,908,971	2,890,578
Transfers	250,396	238,835	319,779	218,000	218,000	575,000	600,000	5,474,022	250,000	250,000
TOTAL EXPENDITURES	8,096,532	15,282,062	11,249,260	6,864,986	5,738,867	15,481,977	21,810,106	24,393,268	4,525,768	4,195,065

Net Increase (Decrease)

	12,828,367	(11,117,526)	(6,315,007)	(887,698)	(64,842)	(4,716,570)	(11,270,932)	700,195	(315,901)	144
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Beginning Fund Balance

	15,031,166	27,859,533	16,742,007	10,427,000	9,539,302	18,684,862	13,968,292	2,697,360	3,397,555	3,081,654
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Ending Fund Balance

	\$ 27,859,533	\$ 16,742,007	\$ 10,427,000	\$ 9,539,302	\$ 9,474,460	\$ 13,968,292	\$ 2,697,360	\$ 3,397,555	\$ 3,081,654	\$ 3,081,798
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TOTAL ALL FUNDS

	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Estimated	2013/14 Adopted
REVENUES					
Property Tax	\$ 16,527,245	\$ 15,869,430	\$ 11,718,969	\$ 7,868,034	\$ 7,786,976
VLF Backfill	2,343,495	2,327,053	2,353,158	2,400,000	2,424,000
Sales & Use Tax	8,317,216	9,971,409	9,889,100	7,442,856	7,797,615
Franchise Fees	1,699,839	1,901,605	1,952,488	2,009,940	2,040,030
Transient Occupancy Tax	923,783	1,004,659	1,174,485	1,000,000	1,015,000
Other Taxes	1,399,270	1,366,391	1,346,863	1,477,414	1,438,310
Licenses & Permits	2,308,170	2,566,023	2,986,721	3,068,752	2,854,413
Intergovernmental	4,082,722	3,253,303	18,299,168	3,064,829	2,269,044
Town Services	2,782,790	2,895,745	3,134,689	3,449,679	2,951,258
Internal Svc Reimbursement	4,039,222	3,839,607	3,936,406	4,094,459	4,214,098
Fines & Forfeitures	571,245	617,779	755,444	599,606	669,850
Interest	1,185,277	717,405	296,639	470,898	536,777
Other Sources	18,274,271	2,134,274	4,218,119	3,647,847	2,707,377
CIP Proj Reimbursement	1,862,742	2,709,764	4,189,704	6,124,113	6,059,934
SCC RPTTF Reimbursement	-	-	-	-	-
Fund Transfers In	1,858,952	2,023,755	3,341,047	2,719,323	3,841,136
TOTAL REVENUES	68,176,239	53,198,202	69,593,000	49,437,750	48,605,818
EXPENDITURES					
Salaries & Benefits	20,863,000	21,049,322	21,998,287	21,780,217	22,544,111
Operating Expenditures	15,730,969	25,651,848	24,483,100	11,541,908	10,516,467
Grants & Awards	1,177,084	612,085	168,135	191,514	177,030
Fixed Assets	401,375	190,839	547,021	407,187	528,484
Interest	970,930	1,076,718	1,173,719	1,034,672	985,944
Internal Service Charges	3,276,188	3,073,299	3,171,473	3,356,982	3,434,286
Capital Projects	8,062,252	15,390,096	10,609,118	6,646,986	5,520,867
Capital Acquisitions	7,402,079	68,001	-	-	-
Debt Service	2,426,908	3,303,514	5,343,871	4,997,942	4,961,156
Transfers	1,858,952	2,023,755	8,165,069	2,719,323	3,841,136
TOTAL EXPENDITURES	62,169,737	72,439,477	75,659,793	52,676,731	52,509,481
Net Increase (Decrease)	6,006,502	(19,241,275)	(6,066,793)	(3,238,981)	(3,903,663)
Beginning Fund Balance	69,273,399	75,279,901	56,038,626	49,971,833	46,732,852
Ending Fund Balance	\$ 75,279,901	\$ 56,038,626	\$ 49,971,833	\$46,732,852	\$ 42,829,189

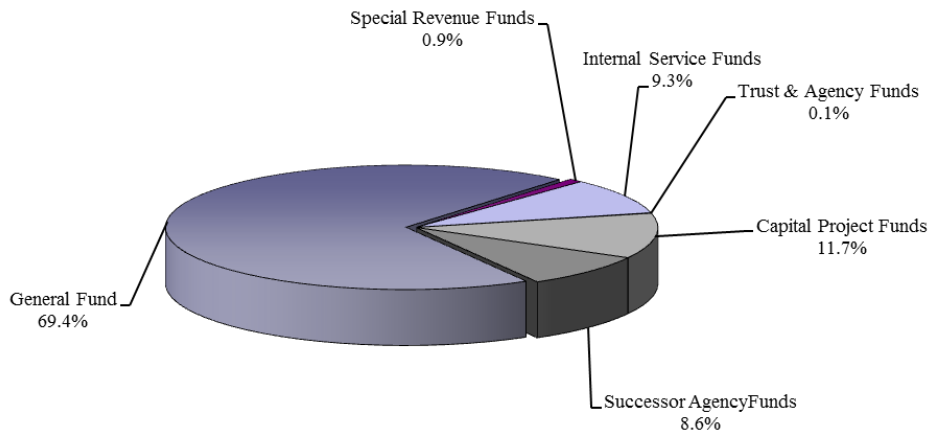
TOTAL TOWN REVENUES

BY FUND

(Includes Transfers In)

Fund	Fund Name	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Adopted	2012/13 Estimated	2013/14 Adopted	Change from PY
General Fund								
111	General Fund	\$ 31,793,466	\$ 33,233,589	\$ 34,461,043	\$ 32,804,598	\$ 33,896,319	\$ 33,726,739	2.8%
Special Revenue Funds								
221	Solid Waste Fund	-	-	-	-	-	-	0.0%
211	Housing Conservation Program	13,191	20,496	19,720	5,029	9,119	8,689	72.8%
212	Community Dev Block Grant	49,945	136,960	92,976	274,079	182,364	60,000	-78.1%
222	Urban Run-Off Source Fund	135,000	135,000	135,000	502,000	502,000	332,000	-33.9%
231	Blackwell Assessment District	3,348	3,252	3,215	3,236	3,214	3,214	-0.7%
232	Kennedy Assessment District	10,595	10,498	10,741	10,547	10,541	10,541	-0.1%
233	Gemini Assessment District	4,389	4,285	4,278	4,316	4,284	4,284	-0.7%
234	Santa Rosa Assessment District	5,610	5,204	5,053	5,288	5,054	5,054	-4.4%
235	Vasona Assessment District	10,004	9,944	10,055	9,991	9,975	9,975	-0.2%
236	Hillbrook Assessment District	1,763	5,973	5,989	5,970	5,986	5,986	0.3%
Internal Service Funds								
611	ABAG Self Insurance	491,082	500,056	513,165	501,292	487,061	503,815	0.5%
612	Worker's Comp Self Insurance	648,890	655,734	841,678	659,429	640,638	655,549	-0.6%
621	Management Information Systems	1,002,319	984,426	1,031,659	1,020,673	1,045,673	1,023,191	0.2%
622	Office Stores Fund	119,598	113,541	91,756	127,500	64,400	117,000	-8.2%
631	Equipment Replacement	389,675	369,525	536,004	439,532	528,780	473,929	7.8%
632	Facilities Maintenance	624,500	488,689	540,731	544,325	544,325	528,600	-2.9%
633	Vehicle Maintenance	1,011,096	981,771	1,090,219	1,138,086	1,201,712	1,222,014	7.4%
Trust & Agency								
710	Friends of the Library	-	-	-	-	-	-	0.0%
711	Library Trust	20,601	16,905	886	15,858	26,579	36,784	132.0%
712	Library History Project	1,076	2,641	695	1,001	2,028	2,020	101.8%
713	Ness Trust Bequest	3,710	2,461	1,959	1,500	1,500	1,500	0.0%
714	Betty McClendon Trust	1,890	1,251	1,011	700	700	700	0.0%
716	Barbara J Cassin Trust	-	666,252	32,379	5,000	5,672	5,000	0.0%
721	Parking District #88	144,182	146,038	135,074	138,090	72,671	-	-100.0%
Capital Projects Funds								
411	GFAR	17,807,050	1,236,199	2,574,474	4,523,668	2,432,527	3,333,746	-26.3%
421	Grant Funded CIP Projects	2,379,704	1,752,253	(14,895)	2,274,861	1,316,517	536,869	-76.4%
461	Storm Drain #1	39,962	83,018	157,078	48,120	128,855	48,120	0.0%
462	Storm Drain #2	61,285	85,333	92,622	53,420	46,400	53,000	-0.8%
463	Storm Drain #3	2,665	86	916	1,000	14,300	4,000	300.0%
471	Traffic Mitigation	60,429	210,655	1,178,657	1,936,474	1,146,899	820,000	-57.7%
472	Construction Tax-Undergrounding	68,766	62,652	69,363	51,250	61,000	45,000	-12.2%
481	Gas Tax	505,042	734,341	876,036	834,560	830,790	833,290	-0.2%
Successor Agency to the Los Gatos RDA Funds								
911	SA - Administration	580,951	604,250	780,753	255,000	-	-	-100.0%
921	SA - Debt Service	8,313,191	8,222,522	5,719,849	3,910,142	-	-	-100.0%
931	SA - Low / Moderate Housing	1,871,264	1,712,402	1,948,527	-	-	-	0.0%
941	SA - Recognized Obligation Retirement	-	-	-	2,196,171	-	-	-100.0%
942	SA - Recognized Obligation Retirement	-	-	16,644,334	-	4,209,867	4,195,209	0.0%
943	SA- Trust Fund	-	-	-	-	-	-	0.0%
TOTAL Fund Rev & Transfers-in		\$ 68,176,239	\$ 53,198,202	\$ 69,593,000	\$ 54,302,706	\$ 49,437,750	\$ 48,605,818	-10.5%
Plus Estimated PY Carryforward Grant Revenue for Capital Projects								-
Total Fund Revenues, Transfers-in, and Prior Year Carryforwards							\$ 48,605,818	

TOTAL TOWN REVENUES BY FUND



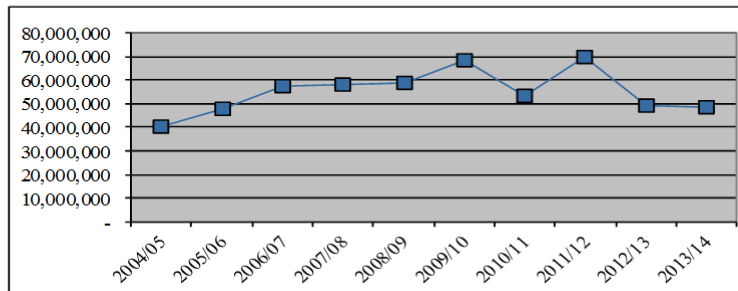
FY 2013/14 Revenues By Fund

	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Adopted	2012/13 Estimated	2013/14 Adopted	% of Total
General Fund	\$ 31,793,466	\$ 33,233,589	\$ 34,461,043	\$ 32,804,598	\$ 33,896,319	\$ 33,726,739	69.3%
Special Revenue Funds	233,845	331,612	287,027	820,456	732,537	439,743	0.9%
Internal Service Funds	4,287,160	4,093,742	4,645,212	4,430,837	4,512,589	4,524,098	9.3%
Trust & Agency Funds	171,459	835,548	172,004	162,149	109,150	46,004	0.1%
Capital Project Funds	20,924,903	4,164,537	4,934,251	9,723,353	5,977,288	5,674,025	11.7%
Successor Agency Funds	10,765,406	10,539,174	25,093,463	6,361,313	4,209,867	4,195,209	8.6%
Total Rev & Transfers In	\$ 68,176,239	\$ 53,198,202	\$ 69,593,000	\$ 54,302,706	\$ 49,437,750	\$ 48,605,818	100.0%

TOWN REVENUE HISTORICAL TREND

(Includes Transfers In)

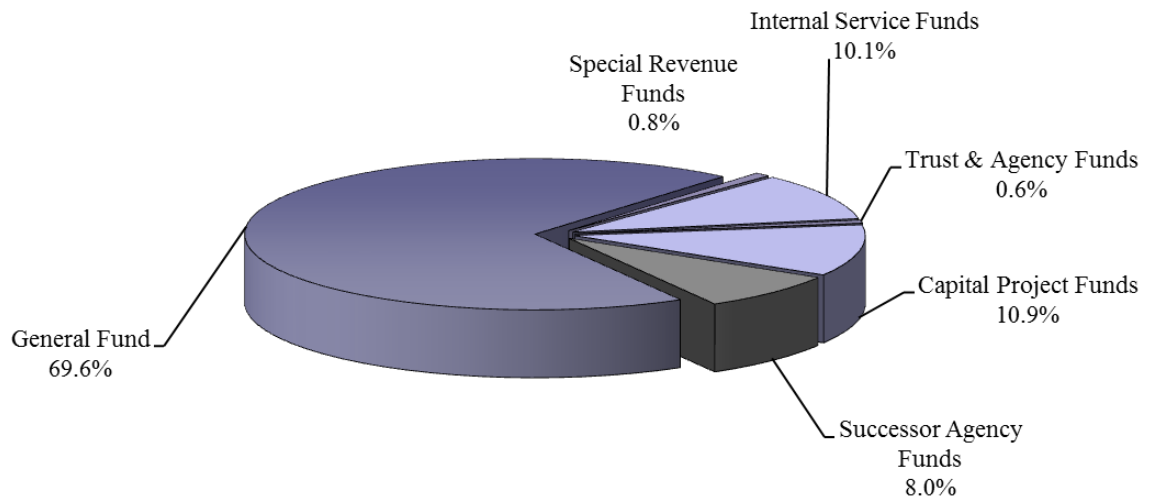
FY	Total	Status
2004/05	40,170,433	Actuals
2005/06	47,575,202	Actuals
2006/07	57,356,538	Actuals
2007/08	57,785,654	Actuals
2008/09	58,959,239	Actuals
2009/10	68,176,239	Actuals
2010/11	53,198,202	Actuals
2011/12	69,593,000	Actuals
2012/13	49,437,750	Estimated
2013/14	48,605,818	Projected



TOTAL TOWN EXPENDITURES
BY FUND
(Includes Transfers Out)

Fund	Fund Name	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Adopted	2012/13 Estimated	2013/14 Adopted	Change from PY
General Fund								
111	General Fund	\$ 33,664,106	\$ 30,765,445	\$ 34,280,012	\$ 35,280,287	\$ 35,701,668	\$ 36,524,923	3.5%
Special Revenue Funds								
221	Solid Waste Fund	-	-	-	-	-	-	0.0%
211	Housing Conservation Program	505,823	194,711	94	12	-	-	-100.0%
212	Community Dev Block Grant	49,498	230,079	-	273,973	182,364	60,000	-78.1%
222	Urban Run-Off Source Fund	114,977	117,061	116,607	338,798	330,501	359,045	6.0%
231	Blackwell Assessment District	3,420	2,520	2,905	3,490	2,353	3,602	3.2%
232	Kennedy Assessment District	6,859	9,907	4,658	7,633	6,124	5,240	-31.4%
233	Gemini Assessment District	3,076	3,075	1,851	4,765	2,451	2,451	-48.6%
234	Santa Rosa Assessment District	8,638	7,089	3,837	4,795	3,941	4,137	-13.7%
235	Vasona Assessment District	7,362	5,008	4,178	6,670	5,361	5,442	-18.4%
236	Hillbrook Assessment District	4,336	5,679	3,494	6,590	3,602	3,794	-42.4%
Internal Service Funds								
611	ABAG Self Insurance	504,146	512,622	984,093	652,249	686,151	699,926	7.3%
612	Worker's Comp Self Insurance	506,795	571,225	1,350,924	742,411	775,893	758,607	2.2%
621	Management Information Systems	967,384	929,576	823,816	1,370,665	1,179,035	1,140,911	-16.8%
622	Office Stores Fund	126,686	124,253	130,830	143,050	133,708	143,150	0.1%
631	Equipment Replacement	578,737	372,595	496,494	714,201	394,945	543,304	-23.9%
632	Facilities Maintenance	464,303	478,402	457,838	540,532	532,629	528,466	-2.2%
633	Vehicle Maintenance	907,626	848,496	1,022,978	1,715,544	1,068,870	1,472,018	-14.2%
Trust & Agency								
710	Friends of the Library	-	-	-	-	-	-	0.0%
711	Library Trust	17,980	18,592	22,103	58,452	53,250	28,350	-51.5%
712	Library History Project	3,592	3,434	-	1,810	-	2,000	10.5%
713	Ness Trust Bequest	-	-	4,000	45,000	-	10,000	-77.8%
714	Betty McClendon Trust	-	-	-	50,000	-	10,000	-80.0%
716	Barbara J Cassin Trust	-	-	158,340	80,000	80,000	129,817	62.3%
721	Parking District #88	145,884	147,540	148,209	143,526	143,130	140,366	-2.2%
Capital Projects Funds								
411	CFAR	5,192,284	11,835,099	8,664,048	14,815,244	4,019,684	3,340,999	-77.4%
421	Grant Funded CIP Projects	1,743,648	2,191,072	692,213	1,655,593	726,725	536,869	-67.6%
461	Storm Drain #1	45,890	-	440	284,560	241,845	-	-100.0%
462	Storm Drain #2	-	-	-	-	-	-	0.0%
463	Storm Drain #3	17,180	24,690	-	-	-	-	0.0%
471	Traffic Mitigation	60,429	210,655	1,131,857	1,983,274	1,120,733	820,000	-58.7%
472	Construction Tax-Undergrounding	208,347	-	4,707	-	-	-	0.0%
481	Gas Tax	828,753	1,020,546	756,000	756,000	756,000	1,041,000	37.7%
Successor Agency to the Los Gatos RDA Funds								
911	SA - Administration	1,237,563	770,215	2,023,801	304,470	-	-	-100.0%
921	SA - Debt Service	8,882,082	14,187,434	7,174,160	3,910,142	-	-	-100.0%
931	SA - Low / Moderate Housing	5,362,333	6,852,457	1,948,527	-	-	-	0.0%
941	SA - Recognized Obligation Retirement	-	-	-	2,196,171	-	-	-100.0%
942	SA - Trust Fund	-	-	13,246,779	-	4,525,768	4,195,066	-
TOTAL Fund Rev & Transfers-in		\$ 62,169,737	\$ 72,439,477	\$ 75,659,793	\$ 68,089,907	\$ 52,676,731	\$ 52,509,483	-22.9%

TOTAL TOWN EXPENDITURES BY FUND



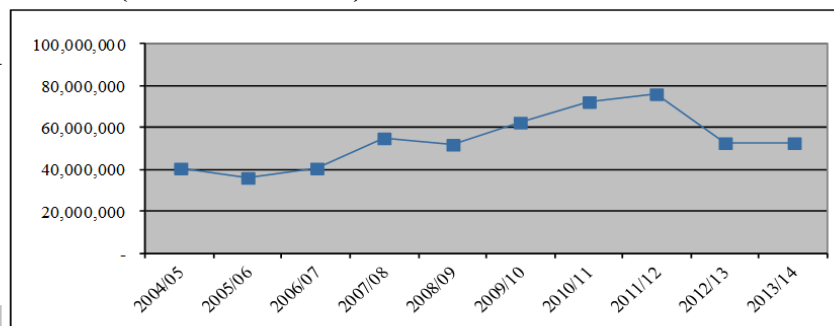
FY 2013/14 Expenditures by Fund

	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Adopted	2012/13 Estimated	2013/14 Adopted	2013/14 %
General Fund	\$ 33,664,106	\$ 30,765,445	\$ 34,280,012	\$ 35,280,287	\$ 35,701,668	\$ 36,524,923	69.6%
Special Revenue Funds	703,989	575,129	137,624	646,726	536,697	443,711	0.8%
Internal Service Funds	4,055,677	3,837,169	5,266,973	5,878,652	4,771,231	5,286,382	10.1%
Trust & Agency Funds	167,456	169,566	332,652	378,788	276,380	320,533	0.6%
Capital Project Funds	8,096,531	15,282,062	11,249,265	19,494,671	6,864,987	5,738,868	10.9%
Successor Agency Funds	15,481,978	21,810,106	24,393,267	6,410,783	4,525,768	4,195,066	8.0%
Total Exp & Transfers Out	\$ 62,169,737	\$ 72,439,477	\$ 75,659,793	\$ 68,089,907	\$ 52,676,731	\$ 52,509,483	100.0%

TOWN EXPENDITURE HISTORICAL TREND

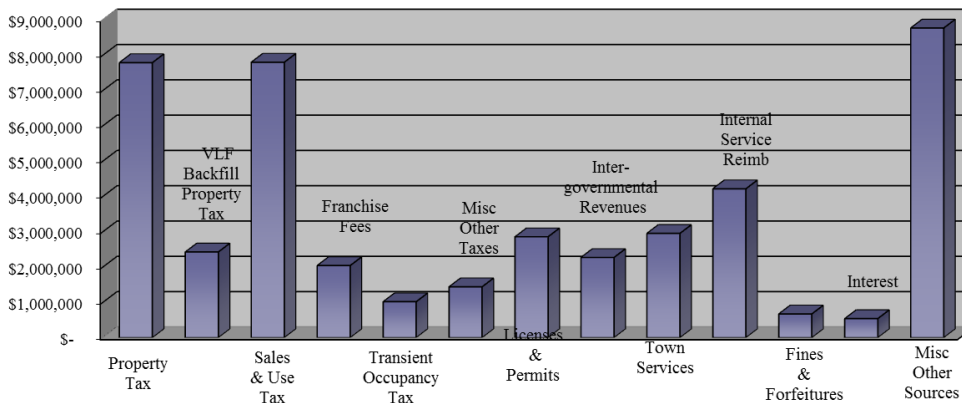
(Includes Transfers Out)

FY	Total	Status
2004/05	40,696,344	Actuals
2005/06	35,716,244	Actuals
2006/07	40,769,411	Actuals
2007/08	54,751,838	Actuals
2008/09	51,969,267	Actuals
2009/10	62,169,737	Actuals
2010/11	72,439,477	Actuals
2011/12	75,659,793	Actuals
2012/13	52,676,731	Estimated
2013/14	52,509,483	Projected



TOTAL TOWN REVENUES BY CATEGORY

**FY 2013/14
Budgeted Revenues**



Revenues	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Adopted	2012/13 Estimated	2013/14 Adopted	% of Total
Property Tax	\$ 16,527,244	\$ 15,869,429	\$ 11,718,969	\$ 8,042,807	\$ 7,868,034	\$ 7,786,976	16.0%
VLF Backfill Property Tax	2,343,495	2,327,053	2,353,158	2,272,820	2,400,000	2,424,000	5.0%
Sales & Use Tax	8,317,216	9,971,409	9,889,100	7,859,000	7,442,856	7,797,615	16.0%
Franchise Fees	1,699,839	1,901,605	1,952,488	1,939,820	2,009,940	2,040,030	4.2%
Transient Occupancy Tax	923,783	1,004,659	1,174,485	1,099,860	1,000,000	1,015,000	2.1%
Miscellaneous Other Taxes	1,399,269	1,366,390	1,346,864	1,484,636	1,477,414	1,438,310	3.0%
Licenses & Permits	2,308,170	2,566,023	2,986,721	2,349,945	3,068,752	2,854,413	5.9%
Intergovernmental Revenues	4,082,722	3,253,303	18,299,169	6,327,633	3,064,829	2,269,044	4.7%
Town Services	2,782,789	2,895,745	3,134,689	2,756,039	3,449,679	2,951,258	6.1%
Internal Service Reimbursements	4,039,222	3,839,607	3,936,406	4,185,401	4,094,459	4,214,098	8.7%
Fines & Forfeitures	571,245	617,779	755,444	644,470	599,606	669,850	1.4%
Interest	1,185,277	717,407	296,639	686,878	470,898	536,777	1.1%
Miscellaneous Other Sources	20,137,017	4,844,038	8,407,821	7,701,097	9,771,960	8,767,311	18.0%
Total Revenues	\$ 66,317,288	\$ 51,174,447	\$ 66,251,953	\$ 47,350,406	\$ 46,718,427	\$ 44,764,682	
Plus Bond Proceeds:	-	-	-	-	-	-	0.0%
Plus Transfers In:	1,858,951	2,023,755	3,341,047	6,952,298	2,719,323	3,841,136	7.9%
Total Revenues & Other Sources	\$ 68,176,239	\$ 53,198,202	\$ 69,593,000	\$ 54,302,704	\$ 49,437,750	\$ 48,605,818	100%

Total Budgeted Revenues (exclusive of Bond Proceeds and Transfers In) has decreased from prior year budgeted, however, FY 2013/14 is the first year since the economic downturn that the Town will be experiencing revenue growth in some of the key economically sensitive revenue categories of Business License, Licenses and Permits and other Taxes. Key revenue highlights include:

Property Tax – Property Tax revenues have declined due to the dissolution of California redevelopment agencies and loss of tax increment revenue.

Sales and Use Tax – While the Town only receives 1 cent of the 8.375 cents of sales tax paid per dollar of taxable sales generated in Town, sales and use Tax remains one of the General Fund's largest revenue sources. The FY 2013/14 budget reflects \$7.8 million in sales tax revenue, or a 1% decline compared to the prior year budgeted amount of \$7.9 million. This is mostly due to a business model change in Netflix, an internet streaming provider, which previously accounted for nearly 40% of all sales tax received by the Town. While lower than the prior year, the FY 2013/14 sales tax revenue reflects some modest growth potential as many other businesses in the Los Gatos area are reporting higher revenues.

Licenses and Permits – FY 2013/14 Licenses and Permits reflect an 24% increase as a result of increased building activity.

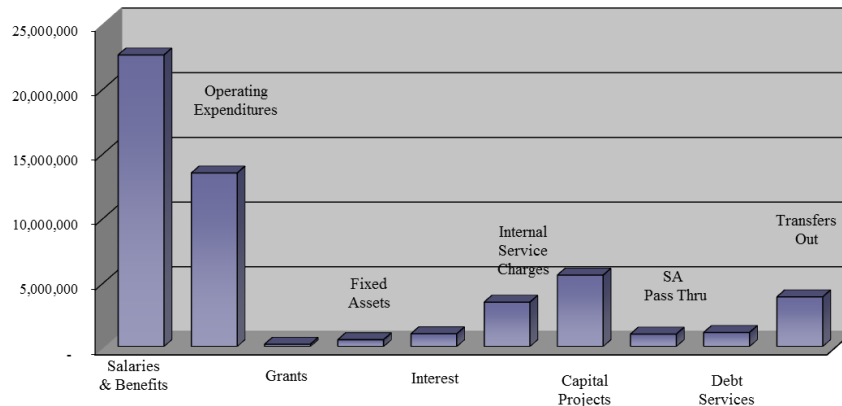
Intergovernmental Revenues – Decreases in intergovernmental revenues are due to the dissolution of the Redevelopment Agency and reduction in money received by the County to fund the Recognized Obligation Retirement Fund (RORF) to pay Successor Agency enforceable obligations and related administrative expenses.

Interest – Interest income is forecasted to be lower in FY 2013/14 due to a declining interest rate environment and reduced cash balances than prior years as a result of the dissolution of the Redevelopment Agency and capital expenditures planned for the coming fiscal year.

Other Sources – This revenue reflects lease reimbursement revenue received from the Successor Agency to the Los Gatos Redevelopment Agency for 2002, and 2010 Certificates of Participation (COPs) debt service payments for the bond issues.

TOTAL TOWN EXPENDITURES BY CATEGORY

FY 2013/14 Budgeted Expenditures



Expenditures	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Adopted	2012/13 Estimated	2013/14 Adopted	% of Total
Salaries and Benefits	\$ 20,863,000	\$ 21,049,323	\$ 21,998,286	\$ 22,229,083	\$ 21,780,217	\$ 22,544,111	42.9%
Operating Expenditures	16,376,991	27,665,266	27,801,575	13,863,028	13,874,345	13,419,867	25.6%
Grants	1,177,085	612,085	168,135	228,978	191,514	177,030	0.3%
Fixed Assets	401,374	190,839	547,020	699,447	407,187	528,484	1.0%
Interest	970,930	1,076,717	1,173,718	1,033,684	1,034,672	985,944	1.9%
Internal Service Charges	3,276,188	3,073,299	3,171,473	3,389,496	3,356,982	3,434,286	6.5%
Capital Projects	15,464,326	15,458,096	10,609,130	19,319,124	6,646,988	5,520,869	10.5%
Successor Agency Pass Thru	1,216,725	696,347	871,220	939,362	1,595,503	967,754	1.8%
Debt Services	564,167	593,750	1,154,167	1,050,000	1,070,000	1,090,000	2.1%
Total Expenditures	\$ 60,310,786	\$ 70,415,722	\$ 67,494,724	\$ 62,752,202	\$ 49,957,408	\$ 48,668,345	
Transfers Out	1,858,951	2,023,755	8,165,069	5,337,706	2,719,323	3,841,136	7.3%
Total Uses of Funds	\$ 62,169,737	\$ 72,439,477	\$ 75,659,793	\$ 68,089,908	\$ 52,676,731	\$ 52,509,481	100%

Total Budgeted Expenditures (exclusive of Transfers Out) include budgeted Capital Improvements, which can vary significantly from year to year. Net of Capital Projects, total expenditures reflect a 22% decrease for FY 2013/14 compared to the prior year adopted budget. Expenditures of note include:

Salaries and Benefits – Salary and benefit expenditures reflect a 1% increase largely due to increases in PERS employer contribution rates and the rising cost of benefits. The FY 2013/14 operating expenditures also include post retirement expenses related to GASB 45.

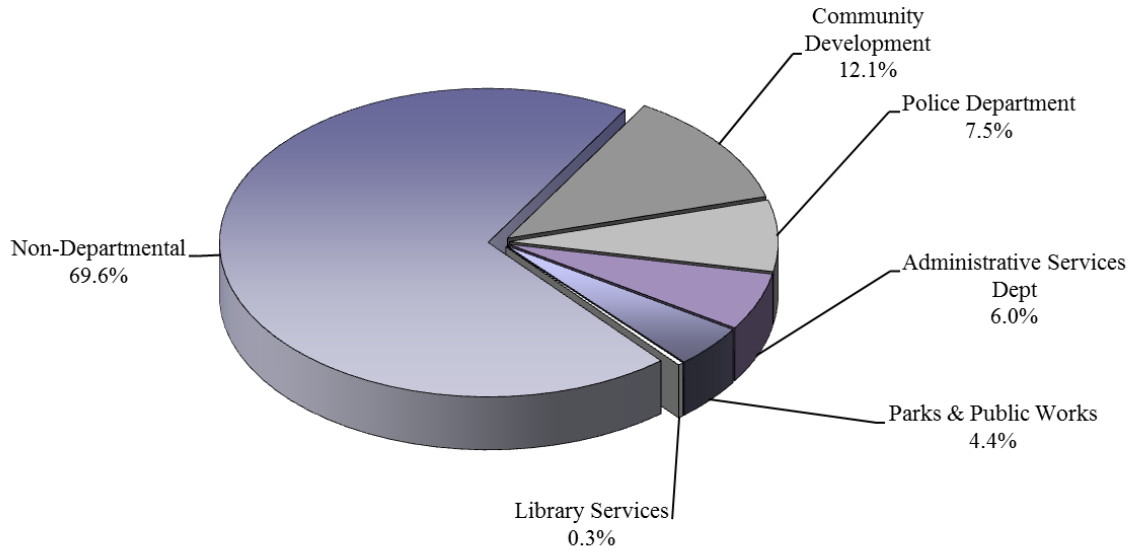
Fixed Assets – Budgeted fixed asset costs stem primarily from scheduled vehicle and equipment replacements. The variance in expenditures from year to year does not impact current year charges to the departments, only the actual cash out to replace the asset.

Internal Service Charges – Internal service charges have increased due to maintenance charges associated with the new Library and other adjustments related to changes in staffing, operating costs, and equipment replacement schedules.

Debt Service – Debt service charges reflect the Redevelopment Agency's two outstanding Certificates of Participation (2002, and 2010) through a leasing expense and reimbursement revenue which nets to zero for the Town, while Successor Agency (SA) to the Los Gatos Redevelopment Agency funds provide the actual debt payment for the bond issues. The SA reimburses the General Fund for the debt service payment. The 1992 COP for Parking Lot #4 was paid in full in early FY 2012/13.

GENERAL FUND REVENUES

BY DEPARTMENT



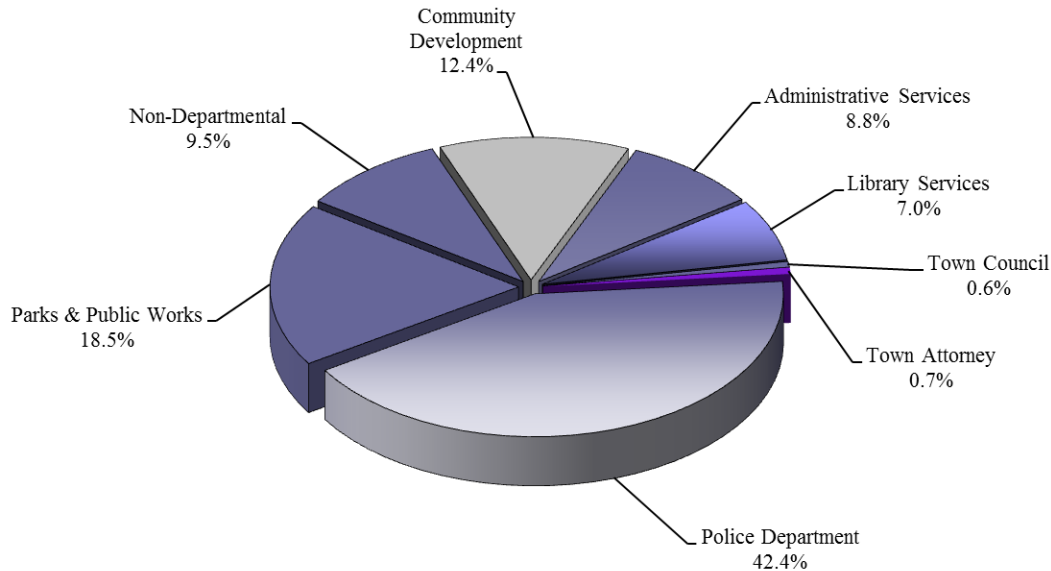
FY 2013/14 Departmental Revenues

Departments	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Adopted	2012/13 Estimated	2013/14 Adopted	% of Total
Town Council	\$ 4,000	\$ 3,195	\$ 12,943	\$ -	\$ 3,707	\$ 5,000	0.0%
Town Treasurer	-	-	-	-	-	-	0.0%
Non-Departmental	21,822,681	23,545,707	23,478,703	22,197,148	21,246,994	21,563,794	69.6%
Administrative Services	1,941,466	1,612,317	1,375,155	1,783,483	1,855,529	1,860,734	6.0%
Community Development	3,404,087	3,108,045	3,460,347	3,195,313	3,978,618	3,751,079	12.1%
Police Department	2,134,464	2,157,639	2,422,695	2,046,728	2,831,504	2,315,357	7.5%
Parks & Public Works	835,523	853,914	1,345,907	1,017,735	1,355,823	1,375,628	4.4%
Community Services	207,994	110,033	-	-	-	-	0.0%
Library Department	71,555	50,102	38,718	63,300	67,253	102,832	0.3%
Total General Fund Revenues	\$ 30,421,770	\$ 31,440,952	\$ 32,134,468	\$ 30,303,707	\$ 31,339,428	\$ 30,974,424	99.9%
Town Debt Payments:	\$ 931,371	\$ 1,354,882	\$ 2,094,852	\$ 1,963,971	\$ 1,963,971	\$ 1,935,578	
Fund Transfers In:	440,326	437,755	231,723	536,920	592,920	816,737	
Net Operating Revenues	\$ 31,793,467	\$ 33,233,589	\$ 34,461,043	\$ 32,804,598	\$ 33,896,319	\$ 33,726,739	

**The Town Manager's Office, Human Resources, Finance & Administrative Services, Clerk Administration, and Management Information Services Programs are all accounted for within the Administrative Services Department. In FY 2009/10 the Town Treasurer was incorporated into Administrative Services Department.*

***In FY 2011/12, the functions of the Community Services Department were incorporated into the Administrative Services Department and other departments.*

GENERAL FUND EXPENDITURES BY DEPARTMENT



FY 2013/14 Departmental Expenditures

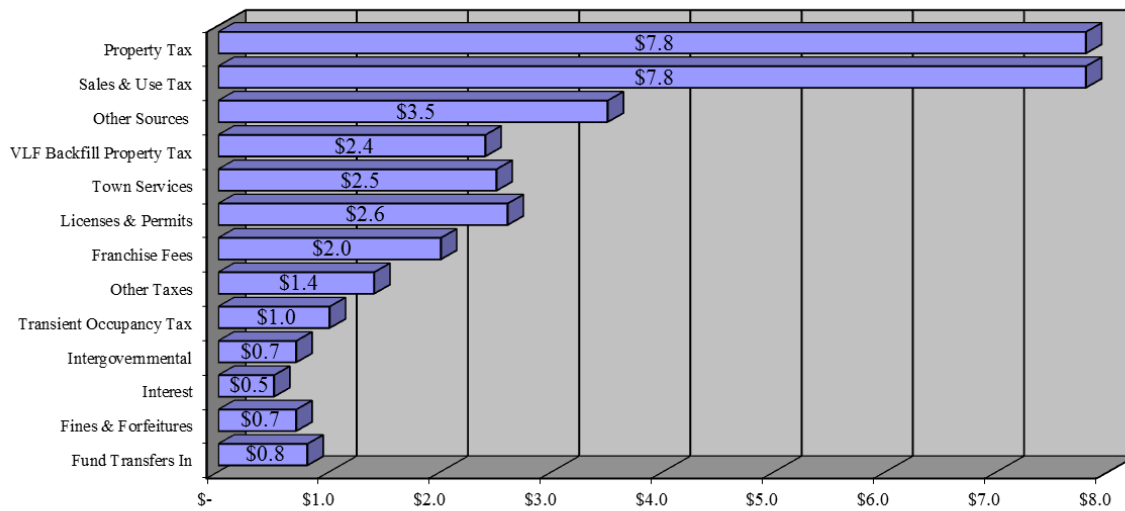
Departments	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Adopted	2012/13 Estimated	2013/14 Adopted	% of Total
Police Department	\$ 12,784,152	\$ 13,103,808	\$ 13,441,194	\$ 13,338,758	\$ 14,143,458	\$ 13,492,115	42.4%
Parks & Public Works	5,137,185	5,105,809	5,440,168	5,675,240	5,577,108	5,899,431	18.5%
Non-Departmental	4,892,280	2,330,254	2,919,839	3,438,834	3,164,282	3,026,242	9.5%
Community Development	3,405,712	2,991,866	3,235,675	3,477,286	3,676,772	3,940,380	12.4%
Administrative Services	2,356,686	2,294,655	2,641,458	2,874,922	2,738,623	2,814,031	8.8%
Library Services	1,994,569	1,817,842	1,810,809	2,174,308	2,073,707	2,231,317	7.0%
Community Services	925,281	618,641	(1,025)	-	-	-	0.0%
Town Council	160,202	163,447	188,334	211,516	185,313	201,104	0.6%
Town Attorney	251,667	197,716	215,794	225,451	227,121	230,327	0.7%
Treasurer	-	-	112	-	-	-	0.0%
Clerk - Elected	-	-	-	-	-	-	0.0%
Total General Fund Exp	\$ 31,907,734	\$ 28,624,038	\$ 29,892,358	\$ 31,416,315	\$ 31,786,384	\$ 31,834,947	99.9%
Town Debt Payments:	\$ 931,371	\$ 1,354,882	\$ 2,094,852	\$ 1,963,971	\$ 1,963,971	\$ 1,935,578	
Fund Transfers Out:	825,000	786,525	2,292,802	1,900,000	1,951,313	2,754,399	
Net Operating Expenditures	\$ 33,664,105	\$ 30,765,445	\$ 34,280,012	\$ 35,280,286	\$ 35,701,668	\$ 36,524,924	

* The Town Manager's Office, Human Resources, Finance & Administrative Services, and Clerk Administrator, and Management Information Services programs are all accounted for within the Administrative Services Department. In FY 2009/10 the Town Treasurer was incorporated into Administrative Services Department.

** In FY 2011/12, the functions of the Community Services Department were incorporated into the Administrative Services Department and other departments.

GENERAL FUND REVENUES BY CATEGORY

\$33.7 Million



Revenue Category	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Adopted	2012/13 Estimated	2013/14 Adopted	% of Total
Sales & Use Tax	\$ 8,317,216	\$ 9,971,409	\$ 9,889,100	\$ 7,859,000	\$ 7,442,856	\$ 7,797,615	23.1%
Property Tax	7,465,871	7,289,897	7,532,073	8,041,087	7,868,034	7,786,976	23.1%
VLF Backfill Property Tax	2,343,495	2,327,053	2,353,158	2,272,820	2,400,000	2,424,000	7.2%
Franchise Fees	1,699,839	1,901,605	1,952,488	1,939,820	2,009,940	2,040,030	6.0%
Transient Occupancy Tax	923,783	1,004,659	1,174,485	1,099,860	1,000,000	1,015,000	3.0%
Other Taxes	1,225,154	1,143,294	1,087,333	1,290,550	1,292,528	1,365,550	4.0%
Licenses & Permits	2,035,308	2,040,811	2,361,510	2,075,945	2,597,097	2,577,413	7.6%
Intergovernmental	878,656	834,713	798,258	815,773	736,135	739,685	2.2%
Town Services	2,565,437	2,672,513	2,829,124	2,155,039	2,829,121	2,524,258	7.5%
Fines & Forfeitures	571,245	617,779	755,444	644,470	599,606	669,850	2.0%
Interest	870,512	625,654	259,146	608,566	421,656	477,970	1.4%
Other Sources	2,456,625	2,366,447	3,237,201	3,464,748	4,106,426	3,491,655	10.4%
Total Revenues	\$ 31,353,141	\$ 32,795,834	\$ 34,229,320	\$ 32,267,678	\$ 33,303,399	\$ 32,910,002	
Fund Transfers In:	\$ 440,326	\$ 437,755	\$ 231,723	\$ 536,920	\$ 592,920	\$ 816,737	2.4%
Total Revenues & Transfers In	\$ 31,793,467	\$ 33,233,589	\$ 34,461,043	\$ 32,804,598	\$ 33,896,319	\$ 33,726,739	100%

FY 2013/14 General Fund revenues and fund transfers are estimated to increase by 3% from the FY 2012/13 adopted budget. The Town's operations are funded through a variety of revenue sources as depicted above. Revenues were estimated by trend analysis and historical data as explained below:

Sales Tax – While the Town only receives 1 cent of the 8.375 cents of sales tax paid per dollar of taxable sales generated in the Town, Sales and Use Tax remains one of the General Fund's largest revenue sources. The FY 2013/14 budget reflects \$7.8 million in sales tax revenue, or a 1% decline compared to the prior year. This is mostly due to a business model change in Netflix, an internet streaming provider, which previously accounted for nearly 40% of all sales tax received by the Town. While lower than the prior year, the FY 2013/14 sales tax revenue reflects some modest growth potential as other businesses within Los Gatos are reporting increased revenues.

Property Tax – Property tax receipts in Los Gatos are expected to decrease slightly from the budgeted FY 2012/13. Property tax budget projections are based on valuations projected by the Santa Clara County Assessor's Office, given increased home sales, coupled with anticipated adjustments in property tax distribution due to the dissolution of California redevelopment agencies. In FY 2012/13 the County overestimated property tax receipts and therefore the 2013/14 budget projection reflects the revised base. Property tax values reflect an approximate 4% growth from FY 2012/13 estimates. The Town receives 9.3 cents of each property tax dollar paid by property owners. The remaining 90.7 cents of each dollar is distributed to several other taxing jurisdictions, including local schools, community college districts, the County of Santa Clara, Santa Clara County Central Fire Protection District, and other special districts that serve the community.

GENERAL FUND REVENUES BY CATEGORY

Town Services – Charges for Town Services have increased by 17% or \$369,219 largely due to an increase in Community Development related activities. Such activities are projected to continue to rise in light of the recovering economy.

Licenses & Permits – Licenses and Permits reflect a projected 24% increase FY 2013/14 as a result of increased building activity.

Intergovernmental Revenues – Intergovernmental revenues are various local, state, and federal grants and reimbursements for police, library, and general funding purposes. The 9% decrease in revenue is due to changes in available funding.

Interest Earnings – Interest income is forecasted to be 21% lower in FY 2013/14 due to a declining interest rate environment and reduced cash balances from prior years.

Franchise Fees – Compared to the prior fiscal year, franchise fees, including cable television, electric utility and solid waste have increased by 5%.

Transient Occupancy Tax – Estimates for Transient Occupancy Tax (TOT) reflects an 8% decrease. While personal and business related travel is gaining strength as the economy recovers, TOT tax is trending lower than originally budgeted in FY 2012/13. During FY 2013/14 the Town plans to begin audits of local hotels to ensure all revenue is being reported.

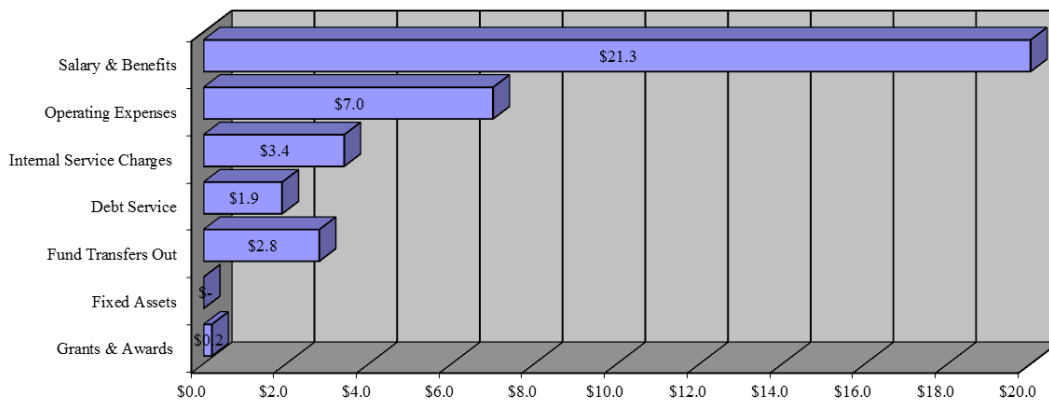
Transfers In – Compared to the prior fiscal year, transfers in have increased by \$279,817.

Other Sources – Other sources reflect a 1% increase compared to the prior fiscal year.

Fines and Forfeitures – These revenues include library and traffic fines and administrative citations which are expected to increase by 4%, primarily due to parking enforcement efficiencies.

GENERAL FUND EXPENDITURES BY CATEGORY

\$36.5
Million



Expenditure Category	2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Adopted	2012/13 Estimated	2013/14 Adopted	% of Total
Salary & Benefits	\$ 19,356,682	\$ 19,509,657	\$ 20,348,155	\$ 20,950,684	\$ 20,623,744	\$ 21,262,886	58.2%
Operating Expenses	5,940,791	5,828,392	6,194,176	6,903,251	7,636,294	6,969,147	19.1%
Fixed Assets	3,140,811	1,900	42,612	-	-	-	0.0%
Grants & Awards	228,850	243,237	168,135	182,620	178,420	177,030	0.5%
Debt Service	931,371	1,354,882	2,094,852	1,963,971	1,963,971	1,935,578	5.3%
Internal Service Charges	3,240,600	3,040,852	3,139,280	3,379,762	3,347,926	3,425,884	9.4%
total Expenditures	\$ 32,839,105	\$ 29,978,920	\$ 31,987,210	\$ 33,380,288	\$ 33,750,355	\$ 33,770,525	
Fund Transfers Out:	\$ 825,000	\$ 786,525	\$ 2,292,802	\$ 1,900,000	\$ 1,951,313	\$ 2,754,399	7.5%
total Exp & Transfers Out	\$ 33,664,105	\$ 30,765,445	\$ 34,280,012	\$ 35,280,288	\$ 35,701,668	\$ 36,524,924	100.0%

The FY 2013/14 General Fund Operating Budget (net of transfers out) represents a 1% increase compared to the net FY 2012/13 adopted operating expenditures budget of \$33,380,288.

Salary & Benefits – The delivery of Town services are highly dependent on labor and comprise 58% of budgeted General Fund Expenditures for FY 2013/14. Despite strategic reductions made in staffing, overtime, and operating expenditures, salary and benefits continue to be the largest portion of the Town costs. Compared to the prior year, salary and benefits increased by 1.5% or \$312,202, largely due to changes in PERS rates. Health care costs for active and retired employees coupled with actuarial requirements continue to grow, are exacerbating the gap between revenue and expenditures in the 5-year forecast. With anticipated changes to PERS being adopted, it is forecasted that PERS costs will continue to increase substantially beginning in FY 2015/16.

Operating Expenses – The FY 2013/14 operating expenditures represents a 1% increase when compared to the FY 2012/13 adopted budget. Town-wide efforts continue to emphasize the importance of containing operating costs while maintaining core services; however, factors such as escalating energy costs, and general cost increases have offset many departmental reductions.

Grants & Awards –The Town provides General Fund grants and awards to local nonprofit organizations for a variety of human, art, and educational services. FY 2013/14 grants and awards reflects only decrease in grant funding of \$5,590 from the prior year.

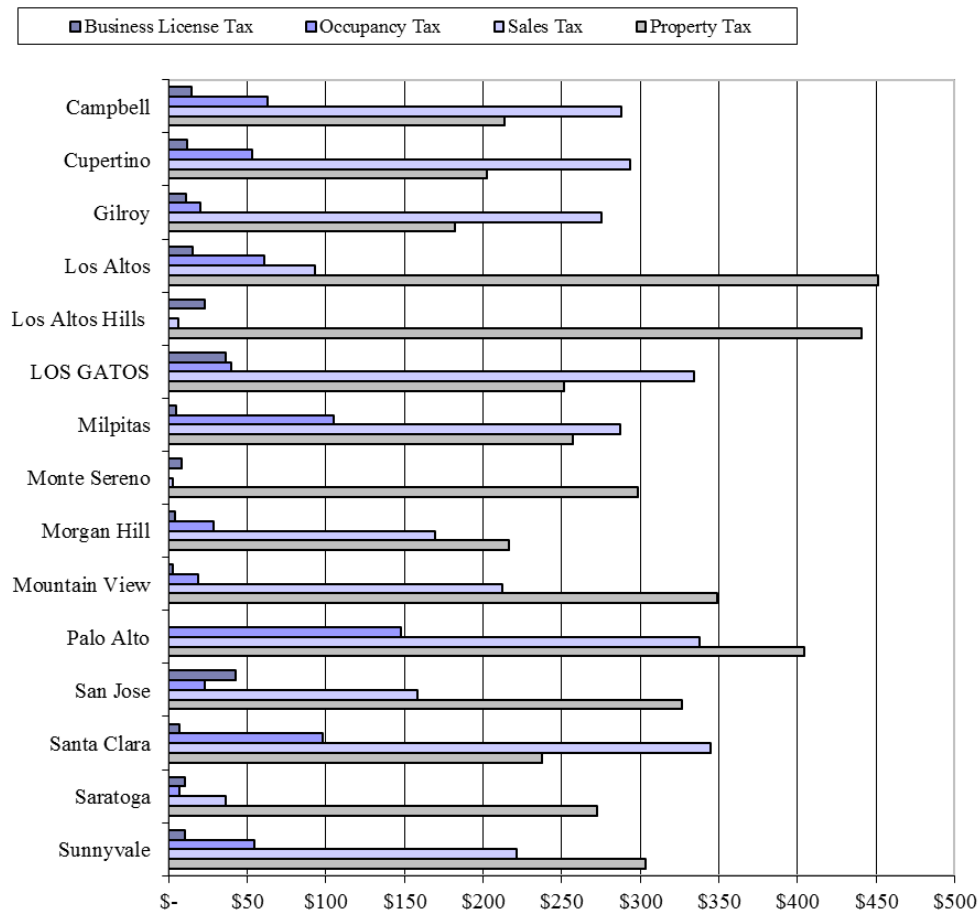
Internal Service Charges – This expense represents the service program costs charged back to the operational programs for Workers Compensation Insurance, Liability Insurance, Office Equipment, Management Information Services, Vehicle Maintenance, and Building Maintenance services. The FY 2013/14 reflects a 1.3% increase in the Internal Service Fund.

Debt Service – The Town facilitates the Successor Agency (SA) to the Los Gatos Redevelopment Agency's two Certificates of Participation (COPs) through a leasing expense and reimbursement revenue which nets to zero for the Town, while SA funds provide the actual debt payment for the bond issues.

Transfers Out – The General Fund transfer to the Capital Projects Fund is \$2.8 million for FY 2013/14.

GENERAL FUND TAX REVENUES

CITIES OF SANTA CLARA COUNTY – TAX REVENUES PER CAPITA

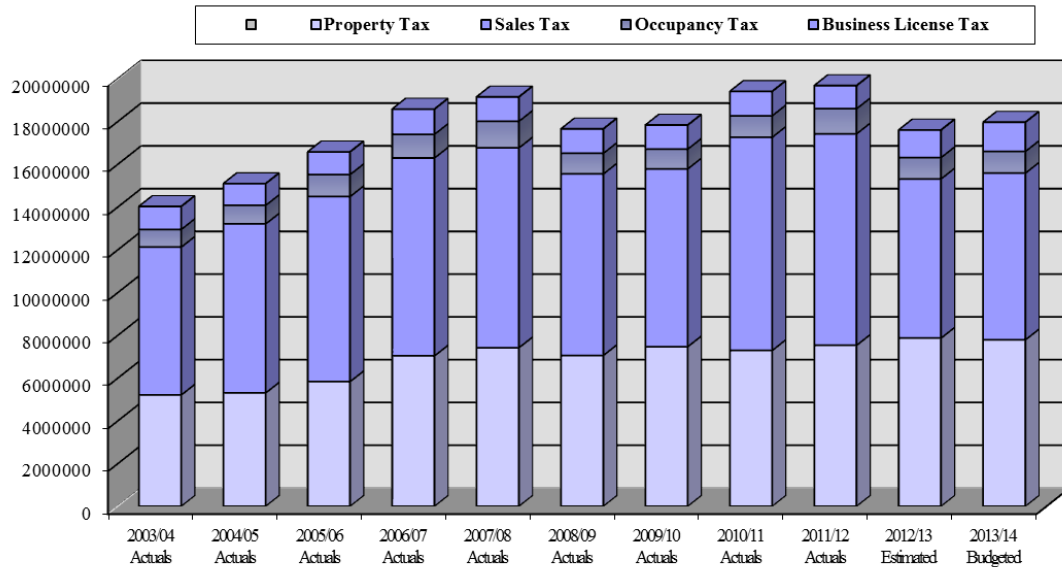


FY 2011/12 Tax Revenue Amounts and Per Capita*

Cities	Population	Property Tax		Sales Tax		Occupancy Tax		Business License Tax	
		Amount	Per Capita	Amount	Per Capita	Amount	Per Capita	Amount	Per Capita
Campbell	40,860	\$ 8,737,866	\$ 214	\$ 11,777,412	\$ 288	\$ 2,578,323	\$ 63.10	\$ 598,342	\$ 15
Cupertino	59,022	11,966,544	203	17,326,460	294	3,112,934	53	705,420	12
Gilroy	50,178	9,131,673	182	13,833,561	276	998,743	20	555,725	11
Los Altos	29,460	13,301,920	452	2,746,374	93	1,782,018	60	442,824	15
Los Altos Hills	8,027	3,536,611	441	46,155	6	-	-	186,527	23
LOS GATOS	29,584	7,445,902	252	9,889,100	334	1,174,485	40	1,071,620	36
Milpitas	67,476	17,357,336	257	19,403,068	288	7,067,413	105	299,073	4
Monte Sereno	3,800	1,135,601	299	10,496	3	-	-	31,487	8
Morgan Hill	39,127	8,483,130	217	6,638,381	170	1,119,491	29	160,301	4
Mountain View	75,175	26,216,000	349	15,939,000	212	1,397,000	19	220,000	3
Palo Alto	65,544	26,494,000	404	22,132,000	338	9,664,000	147	-	-
San Jose	972,000	317,215,000	326	154,026,000	158	22,451,000	23	41,134,000	42
Santa Clara	119,813	28,451,028	237	41,279,940	345	11,755,416	98	842,057	7
Saratoga	30,363	8,279,947	273	1,100,489	36	205,421	7	313,984	10
Sunnyvale	142,896	43,407,026	304	31,623,449	221	7,777,583	54	1,504,737	11
Average	115,555	\$ 35,410,639	\$ 306	\$ 23,184,792	\$ 201	\$ 4,738,922	\$ 41	\$ 3,204,406	\$ 28

* Latest fiscal year for which data is available

GENERAL FUND TAX REVENUES BUDGET WITH 10 YEAR HISTORY



Fiscal Year		Property Tax	Sales Tax	Occupancy Tax	Business License Tax	Sum of Key Revenues	Change from Prior Year
2002/03	Actuals	\$ 4,977,119	\$ 6,928,817	\$ 713,064	\$ 1,003,014	\$ 13,622,014	0.8%
2003/04	Actuals	\$ 5,207,381	\$ 6,914,526	\$ 829,026	\$ 1,071,865	\$ 14,022,798	2.9%
2004/05	Actuals	\$ 5,302,061	\$ 7,904,130	\$ 868,908	\$ 1,015,000	\$ 15,090,099	7.6%
2005/06	Actuals	\$ 5,831,822	\$ 8,655,566	\$ 1,028,664	\$ 1,058,642	\$ 16,574,694	9.8%
2006/07	Actuals	\$ 7,036,876	\$ 9,253,891	\$ 1,108,257	\$ 1,176,422	\$ 18,575,446	12.1%
2007/08	Actuals	\$ 7,417,030	\$ 9,345,432	\$ 1,245,078	\$ 1,138,057	\$ 19,145,597	3.1%
2008/09	Actuals	\$ 7,057,258	\$ 8,487,000	\$ 966,638	\$ 1,139,107	\$ 17,650,003	(7.8%)
2009/10	Actuals	\$ 7,465,871	\$ 8,317,217	\$ 923,783	\$ 1,122,000	\$ 17,828,871	1.0%
2010/11	Actuals	\$ 7,289,897	\$ 9,971,409	\$ 1,004,659	\$ 1,136,511	\$ 19,402,476	8.8%
2011/12	Actuals	\$ 7,532,073	\$ 9,889,100	\$ 1,174,485	\$ 1,077,320	\$ 18,196,717	(6.2%)
2012/13	Estimated	\$ 7,868,034	\$ 7,442,865	\$ 1,000,000	\$ 1,286,510	\$ 17,597,409	(9.3%)
2013/14	Budgeted	\$ 7,786,976	\$ 7,797,615	\$ 1,015,000	\$ 1,361,510	\$ 17,961,101	(1.3%)

GENERAL FUND

ESTIMATED FUND BALANCE ACTIVITY

General Fund

Estimated Fund Balance Activity FY 2013/14

Use of / Addition to GF Reserves:	Estimated July 1, 2013 Balance	Revenues	Expenditures	Fund Balance Sources (Uses)	Estimated June 30, 2014 Balance
Reserved Fund Balance					
Reserve for Long Term Notes	\$ -	\$ -	\$ -	\$ -	\$ -
Advance to RDA	\$ -	-	-	-	-
Unreserved Fund Balance					
<i>Undesignated Reserves</i>					
Plus Appropriated Designated Reserves	1,640,890	33,726,739	36,528,924	1,161,294	-
Undesignated /Available					-
<i>Designated Reserves</i>					-
Manager's Contingency	-	-	-	-	-
Designated Productivity	100,000	-	-	-	100,000
Open Space Reserve	562,000	-	-	-	562,000
GASB Market Fluctuations		-	-	-	-
Sustainability Reserve	-	-	-	-	-
Economic Uncertainty Reserve	4,178,192	-	-	-	4,178,192
Year End Savings/Budget Amendments	490,000	-	-	(47,784)	442,216
Capital/ Special Projects	5,313,691	-	-	(1,113,510)	4,200,181
Authorized Carryovers	-	-	-	-	-
Actuarial	400,000	-	-	-	400,000
Operating Grants	140,553	-	-	-	140,553
Special Studies	490,000	-	-	-	490,000
Budget Stabilization Reserve	6,721,808	-	-	-	6,721,808
Vasona Land Sale	1,645,329	-	-	-	1,645,329
Total Use of and Addition To Reserves	\$ 21,682,463	\$ 33,726,739	\$ 36,528,924	\$ -	\$ 18,880,279

Fund Balance Activity includes:

- FY 2012/13 Budgeted Revenue and Expenditure appropriations, and transfers to and from the General Fund.
- Although repaid by the former Los Gatos Redevelopment Agency in January 2012, the Advance to SA is reflected on the estimated fund balance given the uncertainty surrounding the dissolution of redevelopment agencies, including the ongoing audit conducted by the State and County of Santa Clara.
- FY 2012/13 authorized Carryovers reflect operating appropriations that were brought forward as a funding source. The actual carryover amount will be determined at FY 2012/13 year-end, with funding offset by undesignated reserves.
- In FY 2011/12, Council adopted a General Fund Reserve Policy that maintains a minimum of 25% of General Fund expenditures equally divided between the Budget Stabilization Reserve and Catastrophic Reserve.
- Undesignated Fund Balance is year-end fund balance not previously identified for a specific purpose; therefore, it can be reprogrammed as appropriations or designated reserves by Council. Town policy designates all year-end fund balance to the Budget Stabilization and Capital/Special Project Reserve, eliminating undesignated fund balance. However, year-end fund balance is currently being distributed to the Capital Improvement and Special Projects Reserve as the Catastrophic and Budget Stabilization Reserves are fully funded.

SCHEDULE OF INTERFUND TRANSFERS
FISCAL YEAR 2012/13 & 2013/14

Fund Description	Estimated		Adopted Budget	
	2012/13 Transfers In	2012/13 Transfers Out	2013/14 Transfers In	2013/14 Transfers Out
<i>General Funds</i>				
General Fund	\$ 592,920	\$ 1,951,313	\$ 816,737	\$ 2,754,399
<i>Special Revenue Funds</i>				
Solid Waste Management	-	-	-	-
HCD Housing Rehabilitation	-	-	-	-
HCD-Community Dev Block Grant	-	169,270	-	60,000
Urban Run-Off Program	-	-	-	-
<u>Landscape & Lighting Districts</u>				
Blackwell District	-	460	-	460
Kennedy Meadows District	-	1,510	-	1,510
Gemini Court District	-	610	-	610
Santa Rosa Heights District	-	660	-	660
Vasona Heights District	-	1,430	-	1,430
Hillbrook District	-	250	-	250
Arroyo Del Rancho District	-	-	-	-
<i>Internal Service Funds</i>				
Self Insurance Fund	-	-	-	-
Worker's Comp Self Insurance	-	100,000	-	90,000
Management Information Systems	-	-	-	5,000
Office Stores Fund	-	-	-	-
Equipment Fund	-	-	-	194,000
Vehicle Maintenance Fund	-	-	-	-
Facilities Maintenance Fund	-	5,820	-	210,000
<i>Trust & Agency Funds</i>				
Barbara J. Cassin Trust	-	20,000	-	54,817
<i>Capital Project Funds</i>				
GFAR	1,907,608	102,000	2,893,746	102,000
Grant Funded CIP Projects	169,270	-	60,000	-
Storm Drain #1	-	-	-	-
Storm Drain #2	-	-	-	-
Storm Drain #3	-	-	-	-
Traffic Mitigation	-	10,000	-	10,000
Construction Utility Underground	-	-	-	-
Gas Tax - Street & Signal	-	106,000	-	106,000
<i>Successor Agency of the Los Gatos RDA Funds</i>				
SA - Administration	-	-	-	-
SA - Debt Service	-	-	-	-
SA - Low / Moderate Housing	-	-	-	-
SA - Recognized Obligation Retirement	-	-	-	-
	49,525	250,000	70,653	250,000
	-	-	-	-
Total Transfers	\$ 2,719,323	\$ 2,719,323	\$ 3,841,136	\$ 3,841,136

FUND BALANCE ACTIVITY SUMMARY

FISCAL YEAR 2013/14

	6/30/13 Estimated Fund Balance	Fiscal Year 2013/14 Adopted Budget					6/30/14 Estimated Fund Balance
		Plus		Less			
		Revenues & Carryforwards	Transfer In	Expenditures & Carryforwards	Transfers Out	Use of Reserves	
GENERAL FUND							
Unreserved Fund Balances							
<i>Undesignated Reserves</i>							
Available to be Appropriated	\$ 1,640,890	\$ 32,910,002	\$ 816,737	\$ 33,770,524	\$ 2,754,399	\$ 1,157,294	\$ -
Reserved Fund Balances							
Reserve for Encumbrances	-	-	-	-	-	-	-
Reserve for Long Term Notes	-	-	-	-	-	-	-
Advance to RDA	-	-	-	-	-	-	-
Actuarial	-	-	-	-	-	-	-
Designated Reserves							
Authorized Carryforwards	-	-	-	-	-	-	-
Manager's Contingency	-	-	-	-	-	-	-
Designated Productivity	100,000	-	-	-	-	-	100,000
Catastrophic Reserve	4,178,192	-	-	-	-	-	4,178,192
Budget Stabilization Reserve	6,721,808	-	-	-	-	-	6,721,808
Capital / Special Projects	5,313,691	-	-	-	-	(1,113,510)	4,200,181
Open Space Reserve	562,000	-	-	-	-	-	562,000
GABS Market Flucuation	-	-	-	-	-	-	-
YE Savings/Budget Amendment	490,000	-	-	-	-	(43,784)	446,216
Post Retirement Medical	400,000	-	-	-	-	-	400,000
Vasona Land Sale	1,645,329	-	-	-	-	-	1,645,329
Operating Grants	140,553	-	-	-	-	-	140,553
Social Studies	490,000	-	-	-	-	-	490,000
Total General Fund	\$ 21,682,463	\$ 32,910,002	\$ 816,737	\$ 33,770,524	\$ 2,754,399	\$ -	\$ 18,884,279

General Fund Undesignated Reserves reflects ongoing revenue, carryforward, transfer, and expenditure activity, the net effect of the change in Designated Reserves, and the use of Undesignated Reserves.

General Fund Designated Reserve changes reflect: the Manager Contingency Reserve utilized each year to fund unbudgeted appropriations deemed worthwhile (reserve is replenished at the end of the fiscal year as funding allows), a transfer from Capital and Special Projects Reserve to the Capital Improvement Program. Year-end excess of revenues over expenditures are programmed equally to the Designated for Capital and Special Projects Reserve and the Revenue Stabilization Reserves.

SPECIAL REVENUE FUNDS

Solid Waste Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Housing Conservation Program	37,183	8,689	-	-	-	-	45,872
Community Dev Block Grant	2,507	60,000	-	-	60,000	-	2,507
Urban Run-Off Source Fund	248,035	332,000	-	359,045	-	-	220,990
Blackwell Assessment District	6,608	3,214	-	3,142	460	-	6,220
Kennedy Assessment District	30,630	10,541	-	3,730	1,510	-	35,931
Gemini Assessment District	16,548	4,284	-	1,841	610	-	18,381
Santa Rosa Assessment District	55,397	5,054	-	3,477	660	-	56,314
Vasona Assessment District	28,814	9,975	-	4,012	1,430	-	33,347
Hillbrook Assessment District	7,143	5,986	-	3,544	250	-	9,335
Total Special Revenue Funds	\$ 432,865	\$ 439,743	\$ -	\$ 378,791	\$ 64,920	\$ -	\$ 428,897

FUND BALANCE ACTIVITY SUMMARY

FISCAL YEAR 2013/14

	6/30/13 Estimated Fund Balance	Fiscal Year 2013/14 Adopted Budget					6/30/14 Estimated Fund Balance
		Plus		Less			
		Revenues & Carryforwards	Transfer In	Expenditures & Carryforwards	Transfers Out	Use of Reserves	
INTERNAL SERVICE FUNDS							
ABAG Self Insurance	\$ 1,396,050	\$ 503,815	\$ -	\$ 699,926	\$ -	\$ -	\$ 1,199,939
Worker's Comp Self Insurance	2,165,383	655,549	-	668,607	90,000	-	2,062,325
Management Information Systems	2,339,983	1,023,191	-	1,135,911	5,000	-	2,222,263
Office Stores Fund	137,262	117,000	-	143,150	-	-	111,112
Equipment Replacement	3,267,235	473,929	-	349,304	194,000	-	3,197,860
Vehicle Maintenance	533,405	528,600	-	528,466	-	-	533,539
Facilities Maintenance	1,153,527	1,222,014	-	1,262,018	210,000	-	903,523
Total Internal Service Reserves	\$ 10,992,845	\$ 4,524,098	\$ -	\$ 4,787,382	\$ 499,000	\$ -	\$ 10,230,561

Equipment Replacement Fund Balance is the accumulation of replacement funding-to-date for assets. Revenues are the pro-rated annual charges to departments for asset replacement, and expenditures reflect the cost of equipment up for replacement in this fiscal year. The Fund will continue to reallocate Fund Balance as a transfer to the General Fund for assets that have accumulated replacement costs and have been identified as no longer being part of the Replacement Schedule.

TRUST & AGENCY

Friends of the Library	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Library Trust	4,048	36,784	-	28,350	-	-	12,482
Library History Project	2,780	2,020	-	2,000	-	-	2,800
Ness Trust Bequest	190,638	1,500	-	10,000	-	-	182,138
Betty McClendon Trust	99,031	700	-	10,000	-	-	89,731
Barbara J Cassin Trust	465,962	5,000	-	75,000	54,817	-	341,145
Parking District #88	241,263	-	-	140,366	-	-	100,897
Total Trust & Agency Reserves	\$ 1,003,722	\$ 46,004	\$ -	\$ 265,716	\$ 54,817	\$ -	\$ 729,193

Trust and Agency Fund Balances reflect the spending down of Fund Balance for new Library Facility.

CAPITAL PROJECTS FUNDS

GFAR	\$ 4,164,629	\$ 440,000	\$ 2,893,746	\$ 3,238,997	\$ 102,000	\$ -	\$ 4,157,378
GFAR - Designated for Parking	1,460,210	-	-	-	-	-	1,460,210
Grant Funded CIP Projects	(81,489)	476,869	60,000	536,869	-	-	(81,489)
Storm Drain #1	327,994	48,120	-	-	-	-	376,114
Storm Drain #2	796,337	53,000	-	-	-	-	849,337
Storm Drain #3	(59,989)	4,000	-	-	-	-	(55,989)
Traffic Mitigation	152,198	820,000	-	810,000	10,000	-	152,198
Construction Tax-Undergrounding	2,511,322	45,000	-	-	-	-	2,556,322
Gas Tax	268,090	833,290	-	935,000	106,000	-	60,380
Total Capital Projects Funds	\$ 9,539,302	\$ 2,720,279	\$ 2,953,746	\$ 5,520,866	\$ 218,000	\$ -	\$ 9,474,461

GFAR, Grant Fund, Storm Drain Funds, and Gas Tax Fund Balances reflect the spending down of available funds in FY 2011/12, in line with the planned Capital Improvement Program. The GFAR and Grant Funds also include transfers-in to fund these planned projects.

Traffic Mitigation Fund reflects a transfer out of \$10,000 for estimated annual administration fees.

Grant Funded Projects Fund Balance reflects appropriations for incoming revenues and prior year carryforwards, which will result in either positive or negative fund balance depending on timing of receipts and budget. All grant projects net to zero at completion.

Successor Agency of the Los Gatos RDA Funds

SA- Trust Fund	3,081,655	4,124,556	70,653	3,945,066	250,000	-	3,081,798
Total Successor Agency of the Los Gatos RDA Reserves	\$ 3,081,655	\$ 4,124,556	\$ 70,653	\$ 3,945,066	\$ 250,000	\$ -	\$ 3,081,798

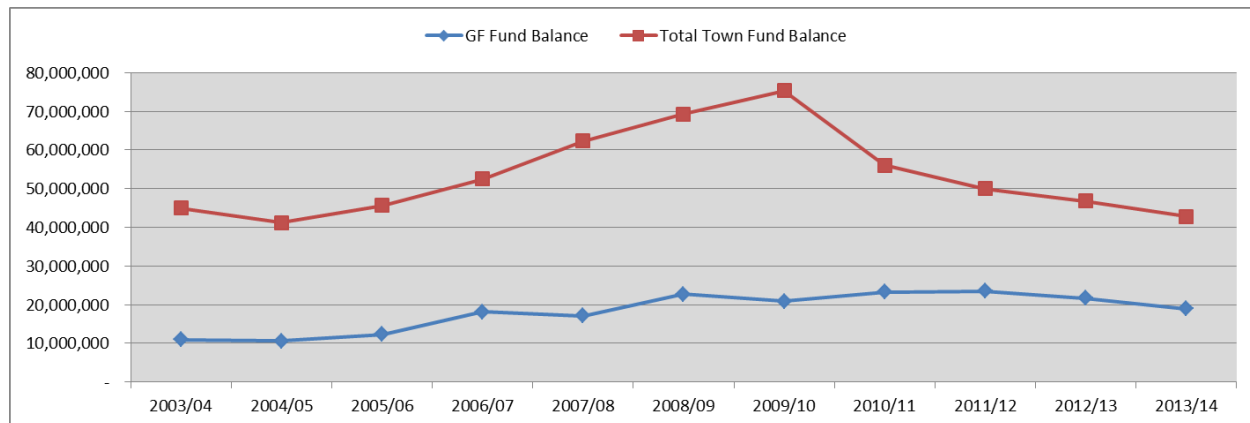
TOTAL RESERVES **\$ 46,732,852** **\$ 44,764,682** **\$ 3,841,136** **\$ 48,668,345** **\$ 3,841,136** **\$ -** **\$ 42,829,189**

FUND BALANCE RESERVES 5 YEAR COMPARATIVE BALANCES

Fund Balance Reserves	6/30/2010 Actual YE Balance	6/30/2011 Actual YE Balance	6/30/2012 Actual YE Balance	6/30/2013 Estimated YE Balance	6/30/2014 Budgeted YE Balance
GENERAL FUND					
Reserved Fund Balances					
Reserve for Encumbrances	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve for Long Term Notes	-	-	-	-	-
Advance to RDA	1,500,000	1,500,000	-	-	-
Actuarial	-	-	-	-	-
Unreserved Fund Balances					
Undesignated Reserves					
Available to be Appropriated	-	-	1,494,926	1,640,890	-
Designated Reserves					
Authorized Carryforwards	127,340	5,815	-	-	-
Manager's Contingency	-	-	-	-	-
Designated Productivity	100,000	100,000	100,000	100,000	100,000
Catastrophic Reserves	3,678,001	3,678,001	4,178,192	4,178,192	4,178,192
Budget Stabilization Reserve	6,217,532	7,863,931	6,721,808	6,721,808	6,721,808
Capital / Special Projects	4,545,098	5,718,997	7,265,004	5,313,691	4,200,181
Open Space Reserve	562,000	562,000	562,000	562,000	562,000
GABS Market Flucuation	526,525	247,705	-	-	-
YE Savings/Budget Amendment	-	-	490,000	490,000	446,216
Post Retirement Medical	400,000	400,000	400,000	400,000	400,000
Vasona Land Sale	2,991,589	2,834,779	1,645,329	1,645,329	1,645,329
Operating Grants	190,553	140,553	140,553	140,553	140,553
Special Studies	-	255,000	490,000	490,000	490,000
Total General Fund Reserves	\$ 20,838,638	\$ 23,306,781	\$ 23,487,812	\$ 21,682,463	\$ 18,884,279
SPECIAL REVENUE FUNDS					
Solid Waste Fund	\$ -	\$ -	\$ -	\$ -	-
Housing Conservation Program	182,654	8,438	28,064	37,183	45,872
Community Dev Block Grant	2,650	(90,470)	2,507	2,507	2,507
Urban Run-Off Source Fund	40,204	58,143	76,536	248,035	220,990
Blackwell Assessment District	4,705	5,437	5,747	6,608	6,220
Kennedy Assessment District	19,539	20,131	26,213	30,630	35,931
Gemini Assessment District	11,078	12,288	14,715	16,548	18,381
Santa Rosa Assessment District	54,953	53,068	54,284	55,397	56,314
Vasona Assessment District	13,378	18,323	24,200	28,814	33,347
Hillbrook Assessment District	1,969	2,264	4,759	7,143	9,335
Total Special Revenue Funds	\$ 331,130	\$ 87,622	\$ 237,025	\$ 432,865	\$ 428,897
INTERNAL SERVICE FUNDS					
ABAG Self Insurance	\$ 2,078,635	\$ 2,066,068	\$ 1,595,140	\$ 1,396,050	1,199,939
Worker's Comp Self Insurance	2,725,375	2,809,884	2,300,638	2,165,383	2,062,325
Management Information Systems	2,210,653	2,265,502	2,473,345	2,339,983	2,222,263
Office Stores Fund	256,357	245,645	206,570	137,262	111,112
Equipment Replacement	3,096,960	3,093,890	3,133,400	3,267,235	3,197,860
Vehicle Maintenance	428,529	438,816	521,709	533,405	533,539
Facilities Maintenance	820,170	953,445	1,020,685	1,153,527	903,523
Total Internal Service Reserves	\$ 11,616,679	\$ 11,873,250	\$ 11,251,487	\$ 10,992,845	\$ 10,230,561

FUND BALANCE RESERVES 5 YEAR COMPARATIVE BALANCES

Fund Balance Reserves	6/30/2010 Actual YE Balance	6/30/2011 Actual YE Balance	6/30/2012 Actual YE Balance	6/30/2013 Estimated YE Balance	6/30/2014 Budgeted YE Balance
TRUST & AGENCY					
Friends of the Library	\$ -	\$ -	\$ -	\$ -	-
Library Trust	53,623	51,937	30,719	4,048	12,482
Library History Project	851	58	752	2,780	2,800
Ness Trust Bequest	188,718	191,179	189,138	190,638	182,138
Betty McClendon Trust	96,069	97,320	98,331	99,031	89,731
Barbara J Cassin Trust	-	666,252	540,290	465,962	341,145
Parking District #88	326,358	324,857	311,722	241,263	100,897
Total Trust & Agency Reserves	\$ 665,619	\$ 1,331,603	\$ 1,170,952	\$ 1,003,722	\$ 729,193
CAPITAL PROJECTS FUNDS					
GFAR	\$ 22,440,258	\$ 11,841,357	\$ 5,751,786	\$ 4,164,629	4,157,378
GFAR - Designated for Parking	1,460,210	1,460,210	1,460,210	1,460,210	1,460,210
Grant Funded CIP Projects	474,646	35,827	(671,281)	(81,489)	(81,489)
Storm Drain #1	201,328	284,346	440,984	327,994	376,114
Storm Drain #2	571,981	657,314	749,937	796,337	849,337
Storm Drain #3	(50,600)	(75,204)	(74,289)	(59,989)	(55,989)
Traffic Mitigation	79,233	79,232	126,032	152,198	152,198
Construction Tax-Undergrounding	2,323,015	2,385,666	2,450,322	2,511,322	2,556,322
Gas Tax	359,469	73,264	193,300	268,090	60,380
Total Capital Projects Funds	\$ 27,859,540	\$ 16,742,012	\$ 10,427,001	\$ 9,539,302	\$ 9,474,461
SUCCESSOR AGENCY TO THE LOS GATOS RDA					
SA - Administration	\$ 1,409,012	\$ 1,243,048	\$ -	\$ -	\$ -
SA - Debt Service	7,419,222	1,454,310	-	-	-
SA - Low / Moderate Housing	5,140,056	-	-	-	-
SA - Trust Fund	-	-	3,397,556	3,081,655	3,081,798
Total Redevelopment Reserves	\$ 13,968,290	\$ 2,697,358	\$ 3,397,556	\$ 3,081,655	\$ 3,081,798
TOTAL RESERVES	\$ 75,279,896	\$ 56,038,626	\$ 49,971,833	\$ 46,732,852	\$ 42,829,189



DEPARTMENT REVENUES BY PROGRAM

		2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Adopted	2012/13 Estimated	2013/14 Adopted
<i>Town Offices</i>							
1101	Town Council	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1102	Town Clerk - Elected	-	-	-	-	-	-
1103	Town Treasurer	-	-	-	-	-	-
1055	Town Clerk	-	-	-	-	-	-
1301	Town Attorney	4,000	3,195	12,943	-	3,707	5,000
1302	ABAG - Self Insurance Fund	491,082	500,056	513,165	501,292	487,061	503,815
Total Town Offices		\$ 495,082	\$ 503,251	\$ 526,108	\$ 501,292	\$ 490,768	\$ 508,815
<i>Administrative Services Department</i>							
1201	Non-Departmental	\$ 22,754,051	\$ 24,900,589	\$ 25,573,554	\$ 24,181,119	\$ 23,230,966	\$ 23,559,189
2101	Town Manager Administration	-	-	12,377	5,500	118,774	-
2103	Housing Program	13,191	20,496	19,720	5,029	9,119	8,689
2104	HCD Housing Rehab	49,945	136,960	-	274,079	182,364	60,000
2201	Human Resources	-	-	6,635	-	-	-
2202	Workers' Compensation Fund	648,890	655,734	841,678	659,429	640,638	655,549
2301	Finance & Administrative Services	1,941,466	1,612,317	1,338,604	1,745,076	1,708,189	1,839,480
2302	Office Stores Fund	119,598	113,541	91,755	127,500	64,400	117,000
2303	Parking Assessment District	144,182	146,039	135,074	138,090	72,671	-
2401	Clerk Administration	-	-	-	-	-	-
2501	Management Information Systems	1,002,319	984,426	1,031,659	1,020,673	1,045,673	1,023,191
2801	Operating Grant	-	-	17,539	-	-	-
2802	Obesity Grant	-	-	-	19,653	15,312	-
2999	Pass Thru Accounts	-	-	-	13,254	13,254	21,254
Total Administrative Services		\$ 26,673,642	\$ 28,570,102	\$ 29,068,595	\$ 28,189,402	\$ 27,101,360	\$ 27,284,352
<i>Community Development</i>							
3101	Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3201	Developmental Review	761,510	629,647	800,726	599,570	741,166	687,000
3202	Advanced Planning	411,148	303,105	306,522	340,000	340,000	341,000
3301	Inspection Services	1,279,819	1,454,572	1,573,207	1,456,000	1,894,637	1,825,000
3401	Code Compliance	1,900	63,303	600	1,000	100	500
3501	BMP Housing Program	107,186	71,367	96,231	128,243	376,215	190,079
3999	Pass Thru Accounts	949,711	586,052	683,061	670,500	626,500	707,500
Total Community Development		\$ 3,511,274	\$ 3,108,046	\$ 3,460,347	\$ 3,195,313	\$ 3,978,618	\$ 3,751,079
<i>Police Department</i>							
4101	Administration	\$ 29,332	\$ 60,201	\$ 37,217	\$ 10,000	\$ 37,310	\$ 16,700
4201	Records & Communication	12,221	21,583	13,319	12,200	10,500	10,500
4202	Personnel & Community Services	246,943	281,875	325,666	352,450	379,450	449,450
4301	Patrol	686,259	711,187	711,322	598,710	623,593	679,817
4302	Traffic	531,554	417,270	464,252	388,453	392,589	405,350
4303	Investigations	10,482	10,666	31,519	575	4,402	3,700
4304	Parking Program	590,405	636,278	759,101	675,340	614,819	678,340
4800	Grants Program - Police	17,130	-	70,038	-	93,643	62,500
4999	Pass Thru Accounts	10,140	18,580	10,262	9,000	675,198	9,000
Total Police Department		\$ 2,134,466	\$ 2,157,640	\$ 2,422,696	\$ 2,046,728	\$ 2,831,504	\$ 2,315,357

DEPARTMENT REVENUES BY PROGRAM

		2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Adopted	2012/13 Estimated	2013/14 Adopted
<i>Parks & Public Works</i>							
5101	Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5201	Engineering Program Services	-	-	-	-	-	-
5202	Engineering Development Svcs	415,297	466,075	759,472	499,800	613,538	614,800
5203	Non-Point Source Fund	135,000	135,000	135,000	502,000	502,000	332,000
5301	Park Services	198,742	237,006	256,963	187,275	187,707	203,275
5302	Environmental Services	48,891	30,739	39,296	50,660	130,211	135,154
5401	Street & Signals	9,943	2,602	2,119	-	142,812	137,399
5402	Equipment Replacement	380,685	369,525	536,004	439,532	528,780	473,929
5403	Vehicle Maintenance	624,500	488,689	540,731	544,325	544,325	528,600
5404	Facilities Maintenance	1,011,096	981,771	1,090,219	1,138,086	1,201,712	1,222,014
5405	Property Damage	82,107	56,747	112,434	50,000	1,005	50,000
5501	Lighting & Landscape Districts	35,709	39,158	39,331	39,348	39,054	39,054
5999	Pass Thru Accounts	129,432	91,483	175,624	230,000	280,551	230,000
8011	GFAR	16,974,248	449,670	651,047	532,073	524,917	440,000
8021	Grant Funded CIP Projects	2,377,868	1,552,778	(14,895)	2,047,247	1,147,247	476,869
8031	Storm Drain #1	39,962	83,018	157,078	48,120	128,855	48,120
8032	Storm Drain #2	61,285	85,333	92,622	53,420	46,400	53,000
8033	Storm Drain #3	2,665	86	916	1,000	14,300	4,000
8041	Traffic Mitigation	60,429	210,655	1,178,657	1,936,474	1,146,899	820,000
8042	Utility Undergrounding	68,766	62,652	69,363	51,250	61,000	45,000
8051	Gas Tax - Street & Signals	505,042	734,341	876,036	834,560	830,790	833,290
Total Parks & Public Works		\$ 23,161,667	\$ 6,077,328	\$ 6,698,017	\$ 9,185,170	\$ 8,072,103	\$ 6,686,504
<i>Community Services</i>							
6101	Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6201	Neighborhood Center	14,555	65,203	-	-	-	-
6204	Arts & Culture	31,108	5,746	-	-	-	-
6205	Community Grants	-	-	-	-	-	-
6303	AB2020 Beverage Container	5,000	8,344	-	-	-	-
6999	Pass Thru Accounts	1,255	-	-	-	-	-
Total Community Services		\$ 51,918	\$ 79,293	\$ -	\$ -	\$ -	\$ -
<i>Library</i>							
7101	Administration	\$ 15,413	\$ 12,056	\$ 2,741	\$ 7,800	\$ 5,953	\$ 6,015
7201	Adult Services	-	-	-	-	-	-
7202	Children's Services	-	-	-	-	-	-
7203	Acquisitions & Cataloging	4,813	3,391	3,095	3,000	4,000	4,000
7204	Circulation Services	51,330	34,655	32,882	32,500	37,300	38,000
7301	Library Trust	20,601	16,905	886	15,858	26,579	36,784
7302	Clelles Ness Bequest Trust	3,710	2,461	1,959	1,500	1,500	1,500
7303	Library History Project	1,076	2,641	695	1,001	2,028	2,020
7304	Betty McClendon Trust	1,890	1,251	1,011	700	700	700
7305	Barbara J Cassin Trust	-	666,252	32,379	5,000	5,672	5,000
Total Library		\$ 98,833	\$ 739,612	\$ 75,648	\$ 67,359	\$ 83,732	\$ 94,019
<i>Successor Agency to the Los Gatos RDA</i>							
9101	SA - Administration	\$ 5,951	\$ 4,250	\$ 3,598	\$ 5,000	\$ -	\$ -
9201	SA - Debt Service	7,381,820	6,867,638	3,336,122	-	-	-
9202	DEBT FOR 1992 COPs	249,271	253,149	252,125	21,000	-	-
9204	DEBT FOR 2002 COPs	682,100	678,575	656,769	679,146	-	-
9205	DEBT TO 2010 COPS	-	423,161	1,163,451	1,263,825	-	-
9301	SA - Low / Moderate Housing	1,871,264	1,712,380	1,945,064	-	-	-
9302	Ditto Lane	-	22	3,462	-	-	-
9401	SA - Recognized Obligation Retirem	-	-	-	2,196,171	-	-
9402	SA - Housing Trust Others	-	-	16,644,334	-	-	-
9403	SA - Admin Services	-	-	-	-	250,000	250,000
9404	SA - Debt to 2002 COP	-	-	-	-	1,360,092	1,358,104
9405	SA - Debt to 2010 COP	-	-	-	-	2,529,250	2,516,452
9406	SA - Debt to 1992 COP	-	-	-	-	21,000	-
Total SA to the Los Gatos RDA		\$ 10,190,406	\$ 9,939,175	\$ 24,004,925	\$ 4,165,142	\$ 4,160,342	\$ 4,124,556
Transfers In		1,858,951	2,023,755	3,336,664	6,952,298	2,719,323	3,841,136
Carryforward of CIP Grant Revenue							
Total Revenues by Department:		\$ 68,176,239	\$ 53,198,202	\$ 69,593,000	\$ 54,302,704	\$ 49,437,750	\$ 48,605,818

DEPARTMENTAL EXPENDITURES BY PROGRAM

Department Budgets - by Program

		2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Adopted	2012/13 Estimated	2013/14 Adopted
Town Offices							
1101	Town Council	\$ 160,202	\$ 163,447	\$ 188,334	\$ 211,516	\$ 185,313	\$ 201,104
1102	Town Clerk - Elected	-	-	-	-	-	-
1103	Town Treasurer	-	-	112	-	-	-
1055	Town Clerk	-	-	-	-	-	-
1301	Town Attorney	251,667	197,716	215,794	225,452	227,121	230,327
1302	ABAG - Self Insurance Fund	504,147	512,623	984,093	652,249	686,151	699,926
Total Town Offices		\$ 916,016	\$ 873,786	\$ 1,388,333	\$ 1,089,217	\$ 1,098,585	\$ 1,131,357
Administrative Services Department							
1201	Non-Departmental	\$ 5,823,651	\$ 3,685,138	\$ 5,014,690	\$ 5,402,805	\$ 5,128,253	\$ 4,961,820
2101	Town Manager Administration	673,498	640,189	986,319	1,085,918	1,097,666	1,026,098
2102	Community Grants	-	-	95,253	116,520	115,420	109,830
2103	HCD Housing Rehab	505,823	194,711	94	12	-	-
2104	Comm. Development Block Grant	47,662	30,604	-	46,358	13,094	-
2201	Human Resources	390,688	384,982	402,341	396,067	375,445	419,772
2301	Finance & Administrative Services	1,062,106	1,044,287	994,896	1,083,903	992,546	1,068,347
2401	Clerk Administration	230,394	225,196	143,443	159,608	139,912	168,729
2402	Clerk Services	-	-	-	-	-	-
2801	Tobacco Prevention Initiatives	-	-	18,808	-	-	-
2802	Obesity Grant	-	-	399	19,653	4,380	-
2999	Pass Thru	-	-	-	13,254	13,254	21,254
2202	Workers' Compensation Fund	506,795	571,225	1,350,924	642,411	675,893	668,607
2302	Office Stores Fund	126,686	124,253	130,830	143,050	133,708	143,150
2501	Management Information Systems	967,384	929,576	823,816	1,370,665	1,179,035	1,135,911
2303	Parking Assessment District	145,884	147,540	148,209	143,526	143,130	140,366
Total Administrative Services		\$ 10,480,571	\$ 7,977,701	\$ 10,110,022	\$ 10,623,750	\$ 10,011,736	\$ 9,863,884
Community Development							
3101	Administration	\$ 106,347	\$ 133,613	\$ 139,105	\$ 153,655	\$ 141,370	\$ 213,391
3201	Developmental Review	792,228	843,378	874,081	975,195	1,036,655	1,149,554
3202	Advanced Planning	371,140	295,937	327,132	375,315	303,718	353,919
3301	Inspection Services	1,159,387	1,018,560	1,068,606	1,127,180	1,094,199	1,191,987
3401	Code Compliance	26,904	42,958	46,086	47,572	98,115	133,949
3501	BMP Housing Program	107,187	71,367	96,230	126,261	376,215	190,079
3999	Pass Thru Accounts	949,706	586,052	684,433	672,108	626,500	707,500
Total Community Development		\$ 3,512,899	\$ 2,991,865	\$ 3,235,673	\$ 3,477,286	\$ 3,676,772	\$ 3,940,379
Police Department							
4101	Administration	\$ 488,663	\$ 480,932	\$ 501,637	\$ 490,740	\$ 476,388	\$ 497,890
4201	Records & Communication	1,693,890	1,697,338	1,759,534	1,893,735	1,826,168	1,892,670
4202	Personnel & Community Services	822,623	811,631	851,330	707,190	812,354	565,091
4301	Patrol	6,297,791	6,492,809	6,530,522	6,499,684	6,671,309	6,891,440
4302	Traffic	769,632	799,574	834,912	864,326	825,181	863,216
4303	Investigations	2,138,493	2,175,508	2,146,303	2,230,287	2,107,976	2,031,764
4304	Parking Program	548,421	627,244	682,732	643,799	651,536	678,545
4800	Grants Program - Police	14,047	164	123,291	-	97,348	62,500
4999	Pass Thru Accounts	10,592	18,608	10,932	9,000	675,198	9,000
Total Police Department		\$ 12,784,152	\$ 13,103,808	\$ 13,441,193	\$ 13,338,761	\$ 14,143,458	\$ 13,492,116

DEPARTMENTAL EXPENDITURES BY PROGRAM

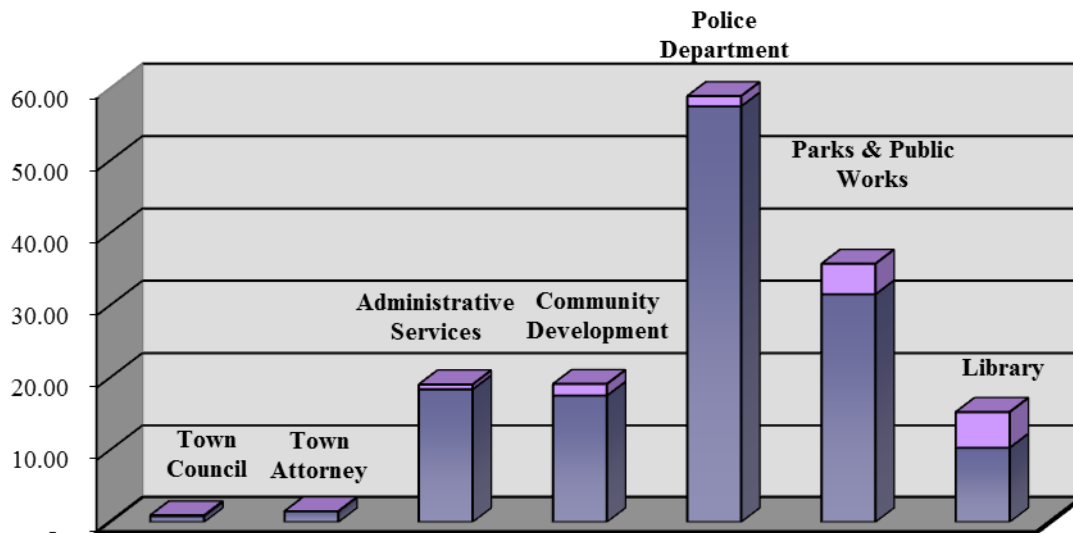
		2009/10 Actuals	2010/11 Actuals	2011/12 Actuals	2012/13 Adopted	2012/13 Estimated	2013/14 Adopted
<i>Parks & Public Works</i>							
5101	Administration	\$ 260,813	\$ 248,423	\$ 235,284	\$ 273,844	\$ 252,906	\$ 281,773
5201	Engineering Program Services	688,241	676,311	806,250	844,964	824,993	865,209
5202	Engineering Development Svcs	674,246	637,226	609,870	608,428	658,011	629,549
5203	Non-Point Source Fund	114,978	117,061	116,608	338,798	330,501	359,045
5301	Park Services	1,532,274	1,672,635	1,648,261	1,524,715	1,486,826	1,575,917
5302	Environmental Services	202,880	177,337	158,733	236,531	219,443	297,096
5401	Street & Signals	1,762,184	1,671,062	1,795,141	1,906,757	1,795,835	1,969,884
5402	Equipment Replacement	384,737	178,595	496,494	520,201	394,945	349,304
5403	Vehicle Maintenance	464,303	478,401	457,838	540,532	532,629	528,466
5404	Facilities Maintenance	899,826	848,496	949,433	1,238,544	1,063,050	1,262,018
5405	Property Damage	89,996	108,669	11,002	50,000	58,542	50,000
5501	Lighting & Landscape Districts	28,771	28,358	16,003	29,023	18,912	19,746
5999	Pass Thru Accounts	129,432	91,482	175,624	230,000	280,551	230,000
8011	GFAR	5,051,708	11,734,453	8,556,450	14,713,245	3,917,685	3,239,000
8021	Grant Funded CIP Projects	1,743,648	2,191,072	599,237	1,655,593	726,725	536,869
8031	Storm Drain #1	45,890	-	440	284,560	241,845	-
8032	Storm Drain #2	-	-	-	-	-	-
8033	Storm Drain #3	17,180	24,690	-	-	-	-
8041	Traffic Mitigation	56,604	178,465	1,118,658	1,973,274	1,110,733	810,000
8042	Utility Undergrounding	208,347	-	4,707	-	-	-
8051	Gas Tax - Street & Signals	722,753	914,546	650,000	650,000	650,000	935,000
Total Parks & Public Works		\$ 15,078,811	\$ 21,977,282	\$ 18,406,033	\$ 27,619,009	\$ 14,564,132	\$ 13,938,876
<i>Community Services</i>							
6101	Administration	\$ 109,276	\$ 134,428	\$ -	\$ -	\$ -	\$ -
6201	Neighborhood Center	292,002	101,650	-	-	-	-
6204	Arts & Culture	68,004	95,069	(1,025)	-	-	-
6205	Community Grants	130,063	110,157	-	-	-	-
6303	AB2020 Grants	15,155	-	-	-	-	-
6999	Pass Thru Accounts	716	-	-	-	-	-
Total Community Services		\$ 615,216	\$ 441,304	\$ (1,025)	\$ -	\$ -	\$ -
<i>Library</i>							
7101	Administration	\$ 306,663	\$ 319,672	\$ 286,554	\$ 351,489	\$ 131,208	\$ 322,149
7201	Adult Services	564,512	496,928	464,878	486,785	650,462	482,598
7202	Children's Services	374,579	369,331	355,078	441,878	431,753	480,986
7203	Acquisitions & Cataloging	205,435	152,106	157,653	205,564	180,647	150,193
7204	Circulation Services	543,381	479,806	546,646	688,593	679,637	795,392
7301	Library Trust	17,980	18,592	22,103	58,452	53,250	28,350
7302	Clelles Ness Bequest Trust	-	-	4,000	45,000	-	10,000
7303	Library History Project	3,592	3,434	-	1,810	-	2,000
7304	Betty McClendon Trust	-	-	-	50,000	-	10,000
7305	Barbara J Cassin Trust	-	-	158,340	60,000	60,000	75,000
Total Library		\$ 2,016,142	\$ 1,839,869	\$ 1,995,252	\$ 2,389,571	\$ 2,186,957	\$ 2,356,668
<i>Successor Agency to the Los Gatos RDA</i>							
911	SA - Administration	\$ 1,237,563	\$ 770,215	\$ 674,163	\$ 304,470	\$ -	\$ -
921	SA - Debt Service	8,307,082	13,587,435	4,282,782	3,910,142	-	-
931	SA - Low / Moderate Housing	5,362,334	6,852,457	715,520	-	-	-
9401	SA - Recognized Obligation Retirem	-	-	-	-	-	-
9402	SA- Housing Trust Others	-	-	13,246,779	-	295,101	-
9403	SA- Admin Services	-	-	-	-	49,525	70,709
9404	SA- Debt to 2002 COP	-	-	-	-	1,359,892	1,357,904
9405	SA-Debt to 2010 COP	-	-	-	-	2,529,250	2,516,452
9406	SA- Debt to 1992 COP	-	-	-	-	42,000	-
Total SA to the Los Gatos RDA		\$ 14,906,979	\$ 21,210,107	\$ 18,919,244	\$ 4,214,612	\$ 4,275,768	\$ 3,945,065
Total Operating Expenditures		\$ 60,310,786	\$ 70,415,722	\$ 67,494,725	\$ 62,752,206	\$ 49,957,408	\$ 48,668,345
	Transfers Out	1,858,951	2,023,755	8,165,068	5,337,706	2,719,323	3,841,136
	Carryforward CIP Projects	-	-	-	-	-	-
Total Expenditures by Department:		\$ 62,169,737	\$ 72,439,477	\$ 75,659,793	\$ 68,089,912	\$ 52,676,731	\$ 52,509,481

SUMMARY OF POSITIONS DEPARTMENTAL STAFF BY FUND

	<u>Authorized Positions</u>	<u>2009/10 Funded</u>	<u>2010/11 Funded</u>	<u>2011/12 Funded</u>	<u>2012/13 Funded</u>	<u>2013/14 Funded</u>
<i>General Fund</i>						
Town Council	0.85	0.85	0.85	0.85	0.85	0.85
Town Attorney	0.85	0.90	0.90	0.85	0.85	0.85
Administrative Services	15.48	12.50	12.25	15.10	15.20	15.48
Community Development	17.65	17.00	15.05	15.45	17.50	17.65
Police Department	56.50	60.00	59.50	59.50	57.00	56.50
Parks & Public Works	26.60	29.50	26.80	26.30	26.10	26.60
Community Services	-	5.15	3.20	-	-	-
Library	10.30	10.35	8.60	8.60	8.60	10.30
<i>Total General Fund Staff</i>	128.23	136.25	127.15	126.65	126.10	128.23
<i>Special Revenue Funds</i>						
Parks & Public Works	1.00	1.00	1.00	1.00	1.00	1.00
Community Services	-	0.05	0.05	-	-	-
<i>Total Special Revenue Fund Staff</i>	1.00	1.05	1.05	1.00	1.00	1.00
<i>CIP Library Project Funds</i>						
PPW Manager	-	-	1.00	1.00	-	-
<i>Total CIP Library Proj Funds Staff</i>	-	-	1.00	1.00	-	-
<i>Internal Service Funds</i>						
Town Attorney	0.65	0.65	0.65	0.65	0.65	0.65
Administrative Services	3.65	3.65	3.65	3.70	3.65	3.65
Parks & Public Works	3.90	4.50	3.70	3.70	3.90	3.90
<i>Total Internal Services Funds Staff</i>	8.20	8.80	8.00	8.05	8.20	8.20
<i>Successor Agency to the Los Gatos RDA</i>						
Administrative Services	-	0.80	0.80	0.80	-	-
Community Development	0.10	0.80	0.75	0.75	0.20	0.10
Community Services	-	0.05	-	-	-	-
<i>Total Redevelopment Agency Staff</i>	0.10	1.65	1.55	1.55	0.20	0.10
Total Town FTEs	137.53	147.75	138.75	138.25	135.50	137.53

Administrative Services Department staffing numbers include the following programs: Town Manager's Office; Human Resources; Finance & Administrative Services; Clerk Administration; and Management Information Services

SUMMARY OF POSITIONS BUDGETED FTEs BY DEPARTMENT



Blue Bar Shading – Town Staff
Purple Bar Shading – Hourly Employees

FY 2013/14 Budgeted FTEs by Department (Includes Converted Hourly Employees)

FY 2013/14

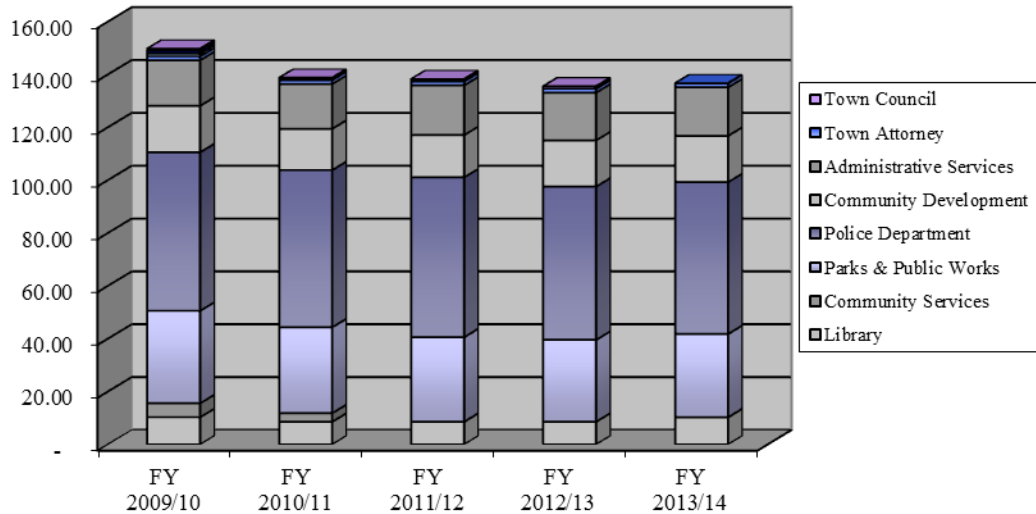
Departments	Authorized/ Funded Town Staff Positions	Hourly Emp Staff converted to FTEs	Total Budgeted Positions
Town Council	0.85	0.08	0.93
Town Attorney	1.50	-	1.50
Administrative Services	18.38	0.66	19.03
Community Development	17.50	1.60	19.10
Police Department	57.50	1.40	58.90
Parks & Public Works	31.50	4.23	35.73
Library	10.30	4.92	15.22
Total Positions	137.53	12.89	150.42

Administrative Services Department staffing numbers include the following six programs: Town Manager's Office; Human Resources; Finance & Administrative Services; Clerk Administration; Management Information Services; and several programs prevailing provided in the Community Services Department.

Hourly Employee positions result from seasonal, temporary, and part-time labor needs.

SUMMARY OF POSITIONS FUNDED FTEs BY DEPARTMENT

Five Year Staffing Trend



Departments	2009/10 Funded	2010/11 Funded	2011/12 Funded	2012/13 Funded	2013/14 Funded
Town Council	0.85	0.85	0.85	0.85	0.85
Town Attorney	1.50	1.50	1.50	1.50	1.50
Administrative Services	17.20	16.95	18.80	18.05	18.38
Community Development	17.60	15.60	16.00	17.50	17.50
Police Department	60.00	59.50	60.50	58.00	57.50
Parks & Public Works	35.00	32.50	32.00	31.00	31.50
Community Services	5.25	3.25	-	-	-
Library	10.35	8.60	8.60	8.60	10.30
Total Budgeted FTEs	147.75	138.75	138.25	135.50	137.53

Note – FTEs represent Town staff positions funded in annual budgets. Numbers do not include temporary hours or the filled or unfilled status of the positions.

SUMMARY OF PERSONNEL CHANGES

FY 2013/14

The Town's total budgeted labor and benefit costs for FY 2013/14 increased to \$22.5 million (\$22.2 million in FY 2012/11) and accounts for 58% of the Town's General Fund expenditures. Rising health and pension rates have significantly increased labor costs; however, reduction strategies including vacancy eliminations and structural reorganization and realignments have helped to mitigate growing personnel expenses. The following discussion describes some of the staffing expenditures, savings, and budget impacts.

Employee Compensation and Benefits

Personnel costs represent salaries of full and part-time personnel (including vacation, holiday, and sick leave compensation) and benefits, including health coverage, life and disability insurance, and retirement contributions. For represented positions, annual wage increases and benefit adjustments are negotiated under each bargaining unit's Memorandum of Understanding (MOUs). Wage increases and benefit adjustments for unrepresented positions are determined under the Council's authority and are not subject to bargaining.

Memorandums of Understanding/Wages

The FY 2013/14 budget assumes that the Town will achieve savings of approximately \$267,000 through personnel cost containment strategies, which include 40 hours of unpaid furloughs for non-sworn employees (pro-rated for part-time employees). Sworn employees will not participate in FY 2013/14 furloughs as the Police Officers' Association (POA) re-negotiated its union agreement to achieve savings for the Town in the prior year. Discussions with the bargaining units are underway regarding the specific terms affecting represented employees. The status of current or anticipated future labor actions are as follows:

- A three-tier pension plan was implemented for non-sworn and management employees, changing the pension formula from 2.5% at 55 to 2% at 60 for new hires after September 15, 2012 or 2% at 62 for "new" employees hired after January 1, 2013 who were not previously in a public pension system.
- A two-tier pension plan was implemented for safety employees, by state law, changing the pension formula for "new" employee, with no prior service in a public pension system, from 3% at 50 to 2.7% at 57, effective January 1, 2013.
- Negotiations are underway with the Town Employees Association (TEA) to discuss a successor Memorandum of Understanding (MOU). The TEA labor agreement expired on June 30, 2012.
- By resolution, the salaries for confidential employees mirror the TEA contract.
- In accordance with its existing MOU, Park and Public Works maintenance employees, represented by the American Federation of State, County and Municipal Employees (AFSCME) will not receive an increase for FY 2013/14. Negotiations are underway to do a one-year extension of the existing AFSCME agreement.
- Negotiations are underway to do a one-year extension of the existing Police Officers' Association (POA) agreement.
- Management salary and benefit terms are reflected in the Town's Management Compensation Plan, which is approved by Council. Management employees have not received a salary adjustment since 2008.

Benefits

The Town contracts for medical coverage through CalPERS and rates are adjusted each January for the calendar year. Kaiser, which serves as the Town's benchmark plan, has increased its annual rates by 7% over the last two years. It is anticipated that this trend will continue, adversely impacting the Town budget. Past negotiations with non-sworn labor groups have resulted in cost sharing of dependent coverage for medical premiums; however, the cost burden remains significant for the Town. Dental, vision and life insurance rates are expected to remain relatively stable. Conversely, short and long-term disability insurance costs are increasing significantly due to changes in the market and an increase in claims. Efforts are underway to identify measures to control and/or reduce costs. It is important to note that changes in health coverage are generally subject to negotiations with affected employee groups.

SUMMARY OF PERSONNEL CHANGES FY 2013/14

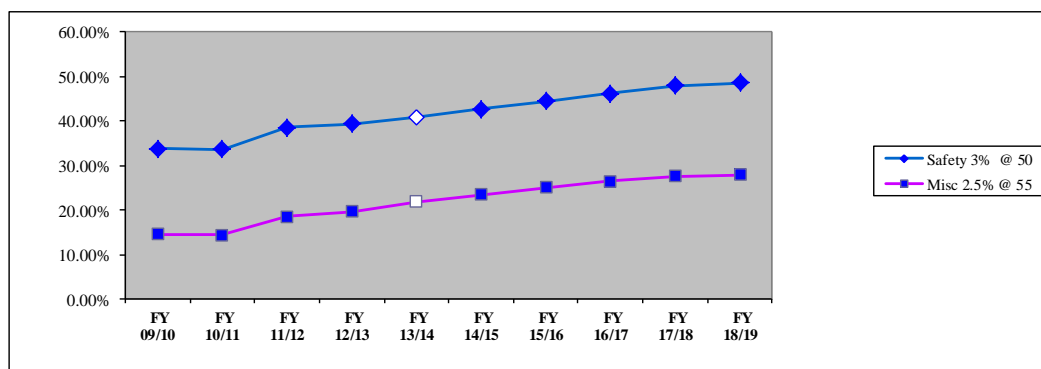
Pension Plan

In FY 2012/13, a three-tier pension plan was implemented for non-sworn, changing the pension formula from 2.5% at 55 to 2% at 60 for new hires after September 15, 2012 or 2% at 62 for “new” employees hired after January 1, 2013 who have not previously worked in a public pensions system. Similarly, in FY 2012/13 the State implemented a new tier for safety employees, changing the pension formula for “new” employees from 3% at 50 to 2.7% at 57, effective January 1, 2013. While this does not provide immediate cost savings, it is anticipated to reduce future salary and benefit expenses in the next 10-15 years. Pension reform continues to be an important topic in regard to cost-containment and staff is monitoring a number of state-wide initiatives that may impact future pension costs.

More recently, however, PERS has significantly increased contribution rates to cover rising retiree costs and PERS investment losses sustained in the down economy. In FY 2013/14, the Town’s miscellaneous employee rate will increase to 21.90%; the safety rate will increase to 40.85%. A portion of the PERS rate adjustment will be offset by drawing down on the Town PERS liability account which has a current balance of \$2.8 million. In prior years, specifically from FY 1998/99 through FY 2003/04, retirement costs for miscellaneous and safety employees were negligible due to PERS “super funding” calculations from prior investment boom years. Following conservative practices, the Town continued to charge itself a PERS retirement expense (based on the average PERS employer rates of years past) during these low-rate years and set aside the savings in a liability account. The strategic use of this financial resource is anticipated to smooth the effects of any future rate increases, should they occur.

In April 2013 the CalPERS Pension and Health Benefits Committee adopted recommendations to modify both the smoothing and amortization policies and implement these changes going forward with an impact to employer rates beginning in FY 2015/16. As a result of this change, the smoothing period will change from a 15-year rolling period to a five-year direct smoothing rate. The amortization period will go from a 30-year rolling period to a 30-year fixed rate. These changes will require the Town to pay significantly more into the system. Estimates indicate that these changes will result in the Town paying 34% more in 10 years than it is currently costing the Town today. The Town will see the highest increase in the first year of implementation (FY 2015/16), with slight increases in year seven and 10. These increased rates will remain at those levels from 2020 on for decades. In addition to these changes, CalPERS is considering discount rate changes and actuarial assumption changes relating to mortality assumptions. While these changes are still under consideration, if adopted would be on top of the smoothing and amortization policy changes.

Issued by CalPERS in October 2011, the following schedule reflects the Town’s PERS pension rate for FY 2012/13 and expected rate for FY 2013/14. All other future rates are based on the Town’s five-year forecast model.



PERS Pension Plan	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19
Safety 3% @ 50	33.84%	33.58%	38.65%	39.31%	40.85%	42.70%	44.45%	46.20%	47.95%	48.55%
Misc 2.5% @ 55	14.60%	14.43%	18.49%	19.62%	21.89%	23.45%	25.00%	26.55%	27.55%	28.00%

SUMMARY OF PERSONNEL CHANGES FY 2013/14

Budget Management Strategies

A number of strategies have been implemented to mitigate rising personnel costs. These include adjusting user fees to recover staff time costs for Town services, focusing staff time on core services to maintain planned reductions in budgeted overtime, reducing hourly staffing use, and eliminating vacant, benefited positions.

Overtime

Overtime expenditures continue to be assessed and adjusted when needed to reduce expenses. While unpredictable or non-controllable events will impact the Town's limited public safety and public works maintenance resources, continued adjustments to schedules and workload have been successful in reducing budgeted overtime. Although some non-critical Town services have experienced moderate service level reductions, scheduling restrictions have not seriously impacted routine operations. In FY 2010/11, the patrol staffing schedule was modified from a combination 10-hour and 12-hour schedule with five patrol teams to a straight 12-hour schedule with four patrol teams. This new structure provided increased patrol staffing levels across the shifts; however, the department is evaluating the impact of increased time off levels. The department will be exploring alternative shift structures to address these issues.

Staffing Changes

The FY 2013/14 Operating Budget has 150.42 budgeted positions, including temporary staff. This reflects an increase of 1.13 FTE compared to the prior year. The recommended FY 2013/14 staffing levels reflect the following changes from the prior year's adjusted budget:

- *Administrative Services* –The Administrative Services budget reflects the net addition of .65 FTE. This change is due to the reduction and reallocation of the Economic Vitality Coordinator (.50 FTE) to the Town Manager's Office as a result of the dissolution of the Los Gatos Redevelopment Agency. However, a portion of this position will continue to be funded through the Community Development Department. The budget also reflects the elimination of a vacant Deputy Town Manager position which was under filled by an Assistant to the Town Manager. In addition, the Assistant Budget/Finance Director position was vacated and filled at a lower level Finance & Budget Manager level resulting in a cost savings to the Town. Other organizational restructurings within the Administrative Services Department include the transfer of .25 FTE hours from the Finance Department to the Human Resources Department to provide Human Resources with much needed additional staff hours. Also, the Finance Department consolidated a .50 FTE Budget Analyst position and .65 FTE Account Technician position into a 1.0 FTE Administrative Technician. Finally, in the Town Manager's Office a .50 FTE Administrative Technician position was created, and .02 FTE hours were eliminated from the Office Assistant position.
- *Library* – The Library budget reflects a comprehensive reorganization to realign staffing to meet dramatically increased customer service use and demands at the new Library, yet still achieves salary, benefit and operating expenditure savings of \$30,000. Specifically, five legacy positions and classifications are being eliminated, as well as 1.87 FTE's of temporary staff, to create 10.30 permanent positions to improve customer service, staff scheduling, and continuity.
- *Police* –The Police Department budget reflects the elimination of the remaining half of a Sergeant position eliminated mid-way this fiscal year as part of last year's budget approval. The retired Sergeants duties have been re-assigned to County Fire, non-sworn staff, and the remaining Sergeants.

SUMMARY OF PERSONNEL CHANGES FY 2013/14

- *Parks & Public Works (PPW)* – The Parks and Public works budget reflects an increase of .50 FTE's which includes the reclassification of the Parks and Facilities Superintendent Position to a Facilities and Environmental Services Manager position which is a lower level management position. In addition, and a .50 FTE Building Inspector position was restored to a 1.0 FTE Engineering Inspector. The .50 FTE increase is a result of increased revenues from the West Valley Solid Waste Management Authority's (WVSWMA) administrative fees. The Engineering inspector will primarily be monitoring stormwater compliance issues and performing inspections related to private development construction projects.

Internal Service Fund Allocations

In addition to direct personnel expenditures, departments are charged for internal support services and employee insurance costs through payroll allocation charges. Appropriate charge-back rates are established based on either employee group historical costs or through a flat surcharge per employee. Annual reviews of these funds may result in adjustments to the rates.

Liability Insurance

Self-Insurance Fund rates (liability claim insurance premiums) for FY 2013/14 remain at the prior year rates as the Self-Insurance Fund Balance continues to be more than sufficient, and revenues are keeping pace with expenditures.

Workers Compensation

The Workers Compensation fund balance also continues to be healthy. The program's allocation charges are adjusted as needed to keep pace with insurance premiums and other related expenditures.

Management Information

The Management Information Systems (MIS) program is funded through two different charge-backs to the departments. One charge is based on a percentage of salary to fund the salaries and operating expenses of the MIS program. The second allocation charge is based on the department's computer and printer equipment, established to fund the replacement cost of current technology equipment.

TOWN STAFF POSITIONS BY HOME DEPARTMENT

	Authorized Positions	2009/10 Funded	2010/11 Funded	2011/12 Funded	2012/13 Funded	2013/14 Funded	Comments
TOWN ATTORNEY'S OFFICE							
Town Attorney	1.00	1.00	1.00	1.00	1.00	1.00	
Deputy Town Attorney	0.50	-	-	0.50	0.50	0.50	Position shared with .50 Clerk Administor position
Legal Admin Assistant	-	0.50	0.50	-	-	-	
TOTAL FTEs	1.50	1.50	1.50	1.50	1.50	1.50	
TOWN MANAGER'S OFFICE							
Town Manager	1.00	1.00	1.00	1.00	1.00	1.00	
Assistant Town Manager	1.00	1.00	1.00	1.00	1.00	1.00	
Deputy Town Manager	-	-	-	1.00	1.00	-	CY delete 1.0 FTE
Assistant to Town Manager	1.00	-	-	-	-	1.00	CY add 1.0 FTE
Executive Asst. to Town Mgr.	1.00	1.00	1.00	1.00	1.00	1.00	
Economic Vitality Manager	-	1.00	1.00	1.00	1.00	-	CY delete 1.0 FTE
Economic Vitality Coordinator	0.50	-	-	-	-	0.50	CY add .50 FTE
Office Assistant	1.63	-	-	-	1.65	1.63	CY delete .02 FTE
Office Clerk	-	0.90	0.90	1.65	-	-	
Administrative Technician	0.50	-	-	-	-	0.50	CY add .50 FTE
Staff Technician	-	-	-	0.75	-	-	
TOTAL FTEs	6.63	4.90	4.90	7.40	6.65	6.63	
COMMUNITY SERVICES							
Community Services Director	-	1.00	1.00	-	-	-	
Administrative Analyst	-	0.50	0.50	-	-	-	
Administrative Secretary	-	1.00	1.00	-	-	-	
Senior Coordinator	-	1.00	-	-	-	-	
Volunteer Coordinator	-	0.75	0.75	-	-	-	
Secretary I	-	1.00	-	-	-	-	
TOTAL DEPARTMENT FTEs	-	5.25	3.25	-	-	-	
HUMAN RESOURCES							
Human Resources Director	1.00	1.00	1.00	1.00	1.00	1.00	
Administrative Analyst	1.00	1.00	1.00	1.00	1.00	1.00	
Human Resources Specialist	0.50	0.25	-	-	-	0.50	CY add .50 FTE
TOTAL FTEs	2.50	2.25	2.00	2.00	2.00	2.50	
FINANCE & ADMINISTRATIVE SERVICES							
Finance & Admin. Director	1.00	1.00	1.00	1.00	1.00	1.00	
Assistant Budget/Finance Director	-	-	-	1.00	1.00	-	CY delete 1.0 FTE
Finance Manager	1.00	1.00	1.00	-	-	1.00	CY add 1.0 FTE
Accountant/Finance Analyst	1.00	1.40	1.40	1.00	1.00	1.00	
Payroll Specialist	1.00	1.00	1.00	1.00	1.00	1.00	
Budget Analyst	-	-	-	0.50	0.50	-	CY delete .50 FTE
Administrative Technician	1.00	-	-	-	-	1.00	CY add 1.0 FTE
Account Technician	1.35	2.00	2.00	2.00	2.00	1.35	CY delete .65 FTE
TOTAL FTEs	6.35	6.40	6.40	6.50	6.50	6.35	

TOWN STAFF POSITIONS BY HOME DEPARTMENT

	Authorized Positions	2009/10 Funded	2010/11 Funded	2011/12 Funded	2012/13 Funded	2013/14 Funded	Comments
CLERK ADMINISTRATION							
Clerk Administrator	0.50	1.00	1.00	0.50	0.50	0.50	<i>Position shared with .50 FTE Deputy Town Attorney position</i>
Deputy Clerk	-	0.75	0.75	0.50	0.50	-	<i>CY delete .50 FTE</i>
Administrative Technician	0.50	-	-	-	-	0.50	<i>CY add .50 FTE</i>
TOTAL FTEs	1.00	1.75	1.75	1.00	1.00	1.00	
MANAGEMENT INFORMATION SERVICES							
MIS Manager	1.00	1.00	1.00	1.00	1.00	1.00	
Network Administrator	1.00	1.00	1.00	1.00	1.00	1.00	
IT Technician	0.75	0.75	0.75	0.75	0.75	0.75	
TOTAL FTEs	2.75	2.75	2.75	2.75	2.75	2.75	
COMMUNITY DEVELOPMENT							
Community Development Dir.	1.00	1.00	1.00	1.00	1.00	1.00	
Asst. Community Dev. Dir.	1.00	1.00	-	-	-	1.00	<i>CY add 1.0 FTE</i>
Deputy Town Manager	-	1.00	-	-	-	-	
Planning Manager	1.00	-	1.00	1.00	1.00	1.00	
Building Official	1.00	1.00	1.00	1.00	1.00	1.00	
Administrative Analyst	1.00	0.60	0.60	1.00	1.00	1.00	
Executive Assistant	1.00	-	-	-	1.00	1.00	
Administrative Secretary	-	1.00	1.00	1.00	-	-	
Administrative Assistant	1.00	-	-	-	1.00	1.00	
Secretary III	-	1.00	1.00	1.00	-	-	
Senior Planner	2.00	1.00	2.00	2.00	3.00	2.00	<i>CY delete 1.0 FTE</i>
Associate Planner	2.00	2.00	1.00	2.00	2.00	2.00	
Planner	-	1.00	1.00	-	-	-	
Assistant Planner	-	1.00	-	-	-	-	
Planning Technician	0.50	-	0.50	0.50	0.50	0.50	
Building Inspector	4.00	4.00	3.50	3.50	4.00	4.00	
Counter Technician	2.00	2.00	2.00	2.00	2.00	2.00	
TOTAL FTEs	17.50	17.60	15.60	16.00	17.50	17.50	
POLICE							
Chief of Police	1.00	1.00	1.00	1.00	1.00	1.00	
Police Captain	2.00	2.00	2.00	2.00	2.00	2.00	
Police Sergeant	6.00	8.00	8.00	8.00	6.50	6.00	<i>CY delete .50 FTE</i>
Police Corporal	5.00	5.00	6.00	6.00	5.00	5.00	
Police Officer	24.00	26.00	24.00	24.00	24.00	24.00	
Community Outreach	1.00	-	-	1.00	1.00	1.00	
Community Services Officer	4.00	4.00	4.00	4.00	4.00	4.00	
Police Admin Services Mgr.	1.00	1.00	1.00	1.00	1.00	1.00	
Executive Assistant to Chief	1.00	1.00	1.00	1.00	1.00	1.00	
Communications Dispatcher	7.50	7.00	7.50	7.50	7.50	7.50	
Parking Control Officer	2.00	2.00	2.00	2.00	2.00	2.00	
Police Records Specialist	3.00	3.00	3.00	3.00	3.00	3.00	
TOTAL FTEs	57.50	60.00	59.50	60.50	58.00	57.50	

TOWN STAFF POSITIONS BY HOME DEPARTMENT

	Authorized Positions	2009/10 Funded	2010/11 Funded	2011/12 Funded	2012/13 Funded	2013/14 Funded	Comments
PARKS and PUBLIC WORKS DEPARTMENT							
Parks & Public Works Director	1.00	1.00	1.00	1.00	1.00	1.00	
Asst PPW Dir/Town Engineer	1.00	1.00	1.00	1.00	1.00	1.00	
Superintendent	1.00	1.00	2.00	2.00	2.00	1.00	<i>CY delete 1.0 FTE</i>
Facilities & Environmental Services Mgr	1.00	-	-	-	-	1.00	<i>CY add 1.0 FTE</i>
PPW Manager	-	1.00	1.00	1.00	-	-	
PPW Supervisor	-	1.00	-	-	-	-	
Administrative Analyst	1.00	1.00	1.00	1.00	1.00	1.00	
Executive Assistant	1.00	-	-	-	1.00	1.00	
Administrative Specialist	-	1.00	1.00	1.00	-	-	
Administrative Assistant	2.00	-	-	-	2.00	2.00	
Administrative Secretary	-	2.00	1.00	1.00	-	-	
Secretary III	-	-	1.00	1.00	-	-	
Environmental Service Coordinator	0.50	-	-	0.50	0.50	0.50	
Associate Civil Engineer	3.00	3.00	3.00	3.00	3.00	3.00	
Assistant Civil Engineer	1.00	1.00	1.00	1.00	1.00	1.00	
Engineering Technician	1.00	1.00	1.00	1.00	1.00	1.00	
Sr Engineering Inspector	1.00	1.00	1.00	1.00	1.00	1.00	
Engineering Inspector	1.00	2.00	-	-	-	1.00	<i>CY add 1.0 FTE</i>
Building Inspector	-	-	0.50	0.50	0.50	-	<i>CY delete .50 FTE</i>
Parks Service Officer	1.00	1.00	1.00	1.00	1.00	1.00	
Town Arborist	1.00	1.00	1.00	1.00	1.00	1.00	
Tree Trimmer/High Climber	1.00	1.00	1.00	-	1.00	1.00	
Lead Parks & Maint. Worker	3.00	2.00	3.00	3.00	3.00	3.00	
Parks & Maintenance Worker	8.00	9.00	8.00	9.00	8.00	8.00	
Sweeper Operator	1.00	1.00	1.00	1.00	1.00	1.00	
Equipment Mechanic	1.00	1.00	1.00	1.00	1.00	1.00	
Apprentice Mechanic	-	1.00	-	-	-	-	
Facility Technician	-	1.00	1.00	-	-	-	
TOTAL DEPARTMENT FTEs	31.50	35.00	32.50	32.00	31.00	31.50	
LIBRARY							
Library Director	-	1.00	1.00	1.00	1.00	-	<i>CY delete 1.0 FTE</i>
Assistant Library Director	-	1.00	-	-	-	-	
Town Librarian	2.00	-	-	-	-	2.00	<i>CY add 2.0 FTE</i>
Library Manager	-	-	-	2.00	2.00	-	<i>CY delete 2.0 FTE</i>
Principal Librarian	-	2.00	2.00	-	-	-	
Librarian	2.55	2.25	2.25	2.25	2.25	2.55	<i>CY add .30 FTE</i>
Circulation Supervisor	-	1.00	1.00	1.00	1.00	-	<i>CY delete 1.0 FTE</i>
Library Technology Specialist	1.00	-	-	-	-	1.00	<i>CY add 1.0 FTE</i>
Library Assistant	1.50	2.50	1.75	1.75	1.75	1.50	<i>CY delete .25 FTE</i>
Library Specialist	0.75	-	-	-	-	0.75	<i>CY add .75 FTE</i>
Administrative Assistant	-	-	-	-	0.60	-	<i>CY delete .60 FTE</i>
Customer Service Supervisor	1.00	-	-	-	-	1.00	<i>CY add 1.0 FTE</i>
Customer Service Specialist	1.50	-	-	-	-	1.50	<i>CY add 1.50 FTE</i>
Secretary III	-	0.60	0.60	0.60	-	-	
TOTAL DEPARTMENT FTEs	10.30	10.35	8.60	8.60	8.60	10.30	
TOTAL TOWN FTEs	137.53	147.75	138.75	138.25	135.50	137.53	

TOWN STAFF POSITIONS BY HOME DEPARTMENT

ELECTED OFFICIALS						
	2009/10	2010/11	2011/12	2012/13	2013/14	
	Funded	Funded	Funded	Funded	Funded	
Town Council	5.00	5.00	5.00	5.00	5.00	
TOTAL ELECTED OFFICIALS	5.00	5.00	5.00	5.00	5.00	

HOURLY EMPLOYEES						
	2009/10	2010/11	2011/12	2012/13	2013/14	
	Funded	Funded	Funded	Funded	Funded	
<i>Temporary Hours by Department</i>						
Town Council	175	175	175	175	175	
Administrative Services	1,621	2,346	1,848	1,836	1,370	<i>CY 466 hours reduction</i>
Community Development	-	-	1,620	832	3,328	<i>CY 2496 hours increase</i>
Police Department	2,920	2,920	2,920	2,920	2,920	
Parks & Public Works	6,780	7,412	8,791	8,791	8,791	
Community Services	-	255	-	-	-	
Library Department	10,093	11,150	10,896	14,120	10,237	<i>CY 3883 hours reduction</i>
Total Temporary Hours by Department	21,589	24,258	26,250	28,674	26,821	
CONVERTED HOURLY EMPLOYEES	10.38	11.66	12.62	13.79	12.89	<i>(1.00 FTE = 2080 hours)</i>

